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NEWS SUMMARY

GENERAL Congress ready for sanctions defiance

Tip O'Neill, Speaker of the House of Representatives, predicted that the House would vote to remove trade sanctions against Zimbabwe Rhodesia.

-10 hopes in Europe flying DC-10s in Zurich tomorrow.

mb found unexploded parcel was found at Birmingham's main postal sorting depot.

be fares threat on bus and underground will have to go up by 12 per cent in September.

raine charge Mr Hall, aged 37, of Walsby, Derbyshire, made a minute court appearance.

ach funeral East End funeral of Blair L, the teacher who died head injuries received at Southall demonstration.

nyth flops sh comedian Bruce Shit's one-man one-week show was panned by critics.

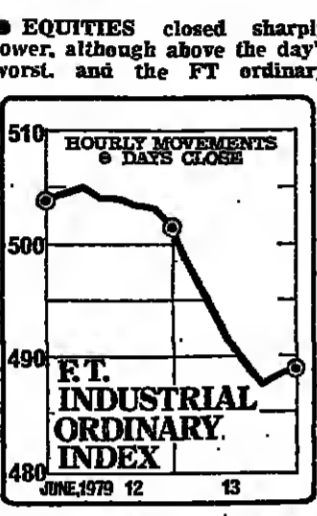
reet surrender and sweet were off the day 20 Nottingham businessmen travelled inter-city.

efly ... in's first iron warship, the car-old Warrior, is to be used by the Maritime Trust.

ol-over Arthur Gill of coal, Middlesex, left £3,000 the proceeds of the sale of his house for the care of his

of William Blake's Songs of Innocence and Experience, edited by the author in 1789, for £70,000 at Christie's.

BUSINESS Equities down 12; Gold falls \$1 1/2



HOURLY MOVEMENTS 9 DAYS CLOSE

Equities closed sharply lower, although above the day's worst, and the FT ordinary index fell 12.5 to 488.9.

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Pound up again but markets give mixed reception to Budget

BY PETER RIDDELL, ECONOMICS CORRESPONDENT

The Budget was given a distinctly mixed reception yesterday by the City's financial markets. Sterling rose sharply again, but prices of ordinary shares fell steeply.

The tightening of the credit squeeze and the two-point increase in Minimum Lending Rate to 14 per cent did succeed in establishing a new base for selling gilt-edged stocks, and more than £750m was quickly raised to finance the Government's borrowing needs.

Supplies of the long tap stock, Treasury 11 per cent 2001-2004, were immediately exhausted in the morning after a cut in price of 55c to 580 per £100 of stock as the Government Broker adjusted to the rise in MLR.

There was controversy about the way in which the stock was sold yesterday. The price of the exhausted long tap rose to 592 by the close and existing issues generally finished 31 points below Tuesday's levels.

In the money markets interest rates fluctuated sharply, and three-month interbank rates, a key indicator for the clearing banks, moved between 13 1/2 and 13 3/4 per cent.

The increase in MLR has reinforced the attractions of UK interest rates compared with returns offered abroad, especially given the other attractions of sterling at a time of rising oil prices and North Sea oil production.

The trade-weighted index, measuring the value of sterling against a basket of other currencies, jumped 0.6 to 83.8, the highest since March, 1976. This is a two-day rise of 14 per cent.

After a sharp overnight rise in New York the pound early in London slipped slightly. But demand was strong throughout the rest of the day, and there were signs of occasional intervention to check the rise.

Sterling finished at \$2.1040, its highest close since September, 1975, compared with a Budget reaction, Page 6 and 7 Editorial comment, Page 26

First they scaled down all applications to 75 per cent. Then they offered the first 50 per cent at 50c, but there was the rub—the other 25 per cent at 50c.

Tempers flared. There ensued "discussions" between the jobbers and what were ambiguously described as "all brokers and their clients."

The jobbers looked at their books again. And compromised. (Not least because by now the market had weakened, so there was little reason for holding back sizeable amounts of the stock).

Brokers were allocated the full 75 per cent of their allotments at the traditional premium, though a top-up was still available at 50c.

The market price went to 592; then drifted back to close at 592.

Tempers were partially soothed. Though there were those who had not learnt the lesson of the Bank's February "shut-out" and had failed to get their orders in early enough.

Mr. Biffen added that the Government was determined to bring State spending under control before its very magnitude dragged the country down.

That is a policy which is socially responsible and economically responsible and in this score we shall stand to be counted," he said.

Parliament Page 10 Economic Viewpoint Page 26

WAGES FORUM SHELVED The Government has shelved plans for an economic forum in "educate" unions in what the country can afford to pay

in wages. Hostile union reaction to the Budget intensified at yesterday's meeting of the TUC economic committee.

Back Page

Swiss move to control Euroloans

BY DAVID MARSH SWITZERLAND'S banking authorities are planning the first move by a major central bank towards controlling Euro-market lending.

Dr. Fritz Leutwiler, president of the Swiss National Bank, said in London yesterday that capital ratios were being planned to apply to the world-wide lending of Swiss banks.

He said Switzerland intended to extend to banks consolidated balance sheets the regulatory system already in force in domestic business, which restricts individual banks lending to a certain multiple of their capital.

The suggestion of applying capital ratios to banks' foreign lending has been one of the central issues of recent discussions among central banks of

announced its intention of applying capital ratios to these consolidated balances, other central banks may be preparing to follow.

The West German Bundesbank—one of the main advocates of improved Euro-market control—is understood to be particularly in favour of capital ratios as a means of better regulation.

Dr. Leutwiler, who was speaking at the end of the annual International Monetary Conference for leading bankers, voiced Swiss misgivings about the other main proposals for Euro-market control currently being discussed. This is the suggestion by the U.S. Federal Reserve for a global minimum reserve levy on Eurocurrency deposits.

Now that Switzerland has

Tempers flare in Gilts battle

BY CHRISTINE MOIR

THE GILTS market staged yet another full-blooded melodrama yesterday, not four months after the set piece in February, dubbed the Battle of Watling Street, when the Bank of England shut out late-comers to its new issues.

This time the action took place on the Stock Exchange floor itself against the backdrop of the Gilts pitches of the main jobbers, Akroyd & Smithers and Wedd Dufflacher Mordaunt.

The opening scene saw Mr. "Tommy" Core Browne, of Mullens and Co., the Government Broker, signal that he was prepared to activate the new "long" tap Treasury 11 1/2 per cent 2001-4, at 590.

The jobbers, who had been inundated with early morning orders at that level (an effective 55 discount) and higher, pitched in and picked up virtually the whole of the £800m.

Then began the drama. Traditionally, jobbers offer such a tap to brokers at a sixteenth above their own purchase price.

Yesterday the weight of demand, (especially with the jobbers holding some on their own books in anticipation of a later rise in the market price), encouraged them to set a higher price.

First they scaled down all applications to 75 per cent. Then they offered the first 50 per cent at 50c, but there was the rub—the other 25 per cent at 50c.

Tempers flared. There ensued "discussions" between the jobbers and what were ambiguously described as "all brokers and their clients."

(Mullens and Co's client is HM Government.)

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in wages. Hostile union reaction to the Budget intensified at yesterday's meeting of the TUC economic committee.

Back Page

Oil exporters press for price rise

BY KEVIN DDNE, ENERGY CORRESPONDENT

PRESSURE FOR higher crude oil prices from members of the Organisation of Petroleum Exporting Countries is increasing only two weeks before OPEC is due to meet in Geneva to discuss a general price rise for all crudes.

Indonesia yesterday announced its fourth price increase in less than six months which will add an extra \$2-83 a barrel surcharge on its crude oil exports.

Ecuador, one of the smallest OPEC members, has set a new peak for contract prices by raising the price of its crude exports for this month by 32 per cent to \$36.80 a barrel. At the same time Iran has reduced some of its major supply contracts to companies such as British Petroleum and Shell by 13-14 per cent for the third quarter this year.

Iran is claiming that the cuts are to enable it to meet additional requests from other companies and countries for contract supplies. But it is also thought to be selling extra quantities on the spot market where it can gain a premium of \$14-\$15 a barrel.

BP, which lost a big part of its Iranian crude oil supplies after the revolution, said yesterday that it was making a further cut in its crude supplies to third party customers. From the beginning of next month

the price increase announced by Indonesia will bring it close to some of the more hawkish OPEC members such as Iran, Algeria and Libya.

With effect from tomorrow, the price of its main crude Sumatran light, will rise to \$18.25 a barrel, an increase of 35 per cent on the price charged in the last quarter of 1978.

Indonesia produces about 1.8m barrels a day and accounts for about 5 1/2 per cent of total OPEC output.

Continued on Back Page

Spot market volume rises to 3% of world supplies

BY GUY DE JONQUIERES, COMMON MARKET CORRESPONDENT, IN BRUSSELS

THE VOLUME of oil sold on the Rotterdam spot market has increased to almost 3 per cent of the world's traded supplies. Six months ago it was only about 5 per cent, according to information gathered by the European Commission.

This was disclosed yesterday by Dr. Guido Brunner, the Energy Commissioner, who said that more oil had been flowing into the Rotterdam market from sources all over the world, attracted by the high prices that have prevailed there recently.

He described this development as "very worrying." The Rotterdam market is the main outlet for the small fraction of world oil supplies not subject to long-term contract.

The inflated prices which crude has fetched there in the last few months have been cited by a number of oil-producing countries as justification for charging a special premium on their exports.

The expansion of the volume of spot trade is expected to lead to stronger pressures from France for controls to be placed on the market, including a ceiling price for crude sold there.

This proposal has so far been resisted by several other EEC Governments, notably West Germany and Britain, as well as by the U.S., though Mr. Michael Blumenthal, the U.S. Treasury Secretary, hinted at a possible change in the American attitude.

The Commission, in a series of papers prepared for next Monday's meeting of EEC Energy Ministers, has also stopped endorsing the idea. At this point it is suggesting merely that a more effective monitoring system be introduced to keep track of prices paid for crude by traders and far refined products by consumers in the EEC.

European News, Page 3

Table with columns for RISES, FALLS, and various stock and commodity prices.

Table with columns for Economic Viewpoint, Contents, and various market indicators.

Advertisement for NatWest Registrars Department. Text: 'How fast could your company react?' 'Supposing your company is suddenly threatened with a takeover bid...' Includes NatWest logo and contact information.

EUROPEAN NEWS

Italy's foreign trade back in surplus

BY RUPERT CORNWELL IN ROME

ITALY'S FOREIGN trade moved back into a small surplus in April, according to provisional statistics issued yesterday after the March deficit of L737bn (\$417m), the worst monthly figure for nearly three years.

However, the April surplus of L65bn (£36m) still leaves a deficit for the first four months of 1979 of L648bn (£359m) or almost double the cumulative deficit of L348bn (£197m) registered for the whole of last year.

During the period, the country's deficit on oil products, for which it is almost entirely dependent on imports, totalled

L2,263bn. This was only partially covered by a surplus on other items of L1,615bn, and many analysts expect the pressure to grow more intense in the months to come, assuming crude prices continue their upward movement.

The three biggest nations, for their part, yesterday confirmed plans for a four-hour general strike next Tuesday in support of claims in the wage contracts which have been under negotiation in some cases for as long as four months.

Although in recent days some signs of progress have

emerged in the most important of them—covering 1.5m metal and engineering workers—it is still far from certain that a final agreement will be reached before the summer break, as the unions are insisting.

The metal workers themselves are planning a mass rally of 200,000 of their members in Rome for June 22, to lodge their protest at what they see as foot dragging by the employers, particularly in the private sector.

Meanwhile, the political manoeuvring ahead of next week's assembly of the new Parliament continued yesterday

as both Christian Democrats and Communists met to examine the implications of this month's general election results.

Sig. Benigno Zaccagnini, the Christian Democrat secretary, made it clear that his party would again propose a majority embracing the Communists of the type whose collapse last January provoked the election.

However, the Communists are widely expected to reject anything short of direct participation in Government. It is at that point that detailed bargaining will begin.

W. German cost of living up by 3.7%

By Jonathan Carr in Bonn

THE WEST GERMAN cost of living rose again in May, adding to official fears that inflation is again emerging as the chief danger to sustained domestic economic growth.

The Federal Statistical Office in Wiesbaden announced yesterday that living costs in May were up by 3.7 per cent against the same month last year. For April, the rise was 3.5 per cent, and for March 3.3 per cent. The average for the whole of 1978 was 2.8 per cent.

A key element in the current increase is the sharp rise in heating oil prices, which were up by 69 per cent in May against a year earlier.

Apart from the sharp rise in world oil prices in dollar terms, the relative weakness of the Deutsche Mark so far this year has added to West Germany's imported inflation.

While the price increase still looks modest by the standards of most industrial nations, it is none the less of deep concern to the West Germans. Dr. Otmar Emminger, the president of the Bundesbank, stated bluntly this week that the inflation danger had now become much greater than any possible faltering of economic output or consumer demand.

He warned that, if unchecked, the price spiral would produce much higher wage claims this winter and put the achievement of years of West German stability policy in jeopardy.

Barre pledges action to ease effect of oil rises on economy

BY DAVID WHITE IN PARIS

M. RAYMOND BARRE, French Prime Minister, has pledged measures to offset the "depressive effect" of recent oil price increases on the economy this year and next.

The measures, which he said he would outline in greater detail in the next few weeks, are expected to involve selective government support in individual sectors. In a separate speech in the National Assembly he warned against "massive and global stimulation" for the economy.

The pledge comes as the Government has had to revise downwards its projections for economic growth.

M. René Monory, Economy Minister, confirmed that the Government was now working on the hypothesis of a 3.4 GDP growth rate this year, barely above last year's 3.3 per cent and below the 3.7 per cent forecast earlier.

Demand growth was expected to remain stable at 3.3 per cent, compared with 3.8 per cent in 1978, while exports were expected to increase by 6 per cent

after a 7.1 per cent expansion last year.

For inflation, the official scenario uses a figure of 9.6 per cent, close to last year's although consumer prices are currently running at about 11 per cent above their level of a year ago.

Average hourly wages are expected to increase by 12.6 per cent compared with 12.6 per cent, while the wage-earners' average purchasing power is expected to progress by 2.7 per cent against last year's 2.3 per cent.

M. Monory said the trade account should be roughly in balance despite the extra weight of oil imports, after going into a FFr 2.5bn (£273m) surplus last year. Unemployment would continue to deteriorate with average employment total during the year rising by only 0.5 per cent.

Presenting a Bill on guidelines for France's 1981-85 national plan, M. Barre emphasised that the foreign trade balance and the stability of the franc "must be the cornerstone of our whole economic policy."

Gaullists criticise Chirac in election post mortem

BY DAVID WHITE IN PARIS

M. JACQUES CHIRAC, the Gaullist leader, has been put on his guard by the party after the results achieved by his controversial and aggressive campaign in the European election, which left the Gaullist RPR trailing France's other three main parties with 16.25 per cent.

Although, at its election post-mortem, the party gave him a unanimous vote of confidence, the meeting produced sharp criticism of his approach and in particular of his virulent attacks on M. Raymond Barre, the Prime Minister, and on President Valéry Giscard d'Estaing. Gaullist MPs also pressed for a more active role in running the party.

The meeting was attended by the Gaullist members of the Cabinet, who have been placed in an embarrassing position by the style of M. Chirac's campaigning. The RPR is expected, however, to stick to its policy of keeping Ministers out of the party leadership.

M. Claude Labbe, head of the Gaullist parliamentary group, said afterwards that the party's position within the Government majority would continue to be critical, but that it would be less aggressive in tone.

TV break-up attacked

BY OUR PARIS STAFF

THE RUNNING of France's state-controlled television channels, which President Giscard d'Estaing broke up into separate units five years ago in order to stimulate competition, is severely criticised in a report by a Senate commission of inquiry.

Presenting the report, Senator Jean Cluzel said the 1974 reform, which brought an end to the monolithic ORTF, had been "perverted in its application."

The report finds that the idea of competition between the three TV channels "is an illusion which has not stood up to practice."

The roles of the channels and of the TV production companies, Societe Francaise de Production, are ill-defined and their aims uncertain, it says.

"In the absence of co-ordinated programmes," it says, "we have been moving towards a ratings race, with its corollary—a drop in quality."

The report also strongly criticises management standards and accounting practices and puts forward a set of 30 proposals for improving French TV, including a reorganisation of the state's holdings, special tax conditions and better planning of programmes.

South African gold production maintains a rising trend

BY JOHN WICKS IN MONTREUX

GOLD production by South Africa may rise to some 715 tons this year, thus continuing the reversal in 1978 of the downward trend in mined production. This was stated at the Financial Times conference "World gold in the 1980s," in Montreux yesterday, by Mr. T. R. N. Main, of the South African Chamber of Mines. Present production levels were expected to be sustained through to the mid-80s, possibly reaching a stand of about 750 tons by 1985.

This trend, said Mr. Main, was likely to result from the expansion of certain productive mines and from additional output by new mines currently being opened. That would more than counter-balance any decline in production from some of the older units.

Thereafter most commentators considered that a fall in output could result, with production declining to about half the present level by the turn of the century. South African gold reserves were put by the country's Minerals Bureau at some 16,500 tons.

Mr. Main pointed out that producers' estimates of ore reserves were conservative in that they included only fully developed or blocked-out reserves for current mining operations calculated at relatively low gold prices. "It is clear," he said, "that further development of the industry will take place if the price is right."

A "golding of America," was taking place, Dr. Henry G. Jarecki, chairman of Mocoatta Metals Corporation, said. There had been a marked development in the U.S. gold futures business since autumn, 1977, and by late last year gold had come to account for 11.5 per cent of all futures trade there.

A typical U.S. commodities customer was interested in gold for less than 10 days, but substantial demand existed at all times. The current price level was linked to facilities offered by the futures market. "Anyone whose money is worth more than 10 per cent a year in his pocket is better off in gold

futures than in physical gold," Dr. Jarecki said.

A temporary peak in the gold price to coincide with the June 26 conference in Geneva of the organisation of Petroleum exporting countries was forecast by Mr. Charles R. Stahl, of Economic News Agency. However, Mr. Stahl contended that any move above \$300 was unjustified. "There is no

concerned," Dr. Gasser recommended the maintaining of present positions. "The net comes with medium-term investment objectives. I would still suggest that he should gradually build up a five to ten per cent position in gold, but this should be done carefully because the current price level is vulnerable in the short-term and there should be cheaper buying opportunities in the near future."

The Middle East is more important than ever as a centre of gold production, according to Mr. Timothy S. Green, author. Taking this area to include the Arabic-speaking countries, Iran, Turkey and the Indian sub-continent, he said some 350 to 400 tonnes of new gold had passed through the Middle East over each of the past three years.

With regard to speculative and investment purchases there had been no massive switch into gold but there was a growing trend in this direction. Volume was likely to continue relatively high Mr. Green said, though not at the very high levels recorded in 1976 and 1977, when consumption (including that of Italian jewellery) approached an annual volume of 450 tonnes.

In the current year, he pointed out, demand for gold had fallen in view of higher prices and the Iranian situation. At prices between \$280 and \$300, there might be some profit-taking sales of Middle Eastern jewellery, the call for which had also declined with the end of the constructive boom in the area.

Imports of gold into Hong Kong, which have averaged about 50 tonnes a year, were increasing, Mr. Woo Hon, President of the Chinese Gold and Silver Exchange of Hong Kong, said. In the first quarter of 1979 alone, imports were more than 30 tonnes. Dal volume was now about 1 ounce.

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Swiss bank secrecy may be eased

By Sri Khindaria in Geneva

THE LOWER HOUSE of the Swiss Parliament has approved a slight loosening in Swiss rules concerning help and information given to foreign governments seeking to recover funds illegally placed in Swiss banks by their nationals.

After a long debate the Lower House decided that in some exceptional circumstances Swiss authorities should co-operate with foreign governments in investigating bank accounts in Switzerland of foreign nationals accused of transferring funds obtained through fiscal fraud or tax evasion.

These elements will be included in a new bill currently under discussion. The matter has still to come before the Upper House. Co-operation could take the form of setting aside Switzerland's normally impenetrable banking secrecy laws, but such co-operation would be offered only if the foreign national involved is convicted of fiscal fraud in his own country.

Existing Swiss laws dating back to 1892 forbid such co-operation but do not apply if a bilateral agreement is concluded with a country establishing information disclosures under exceptional circumstances. Such an agreement is in force with the U.S.

Belgium again raises bank rate

BY DAVID MARSH

BELGIUM YESTERDAY raised Bank Rate to 9 per cent from 8 per cent in a fresh bid to prop up the Belgian franc against the Deutsche Mark within the European Monetary System (EMS).

The rise, the third one point increase in bank rate since the start of May, together with support intervention by the Belgian National Bank, helped the franc make slight gains against the D-Mark on foreign exchange markets yesterday. But at its fixing rate in Frankfurt of DM 6.224 per 100 it was still very close to its lowest

permitted limit within the system of DM 6.221.

Both the franc and the Danish krone have been languishing close to their EMS floors against the D-Mark for the past two weeks amid foreign exchange market speculation that the first realignment of currency parities within the scheme will shortly become necessary.

Belgium's interest rate move yesterday coincided with action by the Dutch Government to put an emergency brake on public sector spending to avoid the deficit in this area exceeding the limit of 6 per cent of national income.

The brake, involving measures to slow public spending and accelerate tax receipts, was announced by Mr. Frazz Andriessen, the Dutch Finance Minister.

Rising public sector borrowing has been a principal factor undermining both the Belgian and Dutch currencies in the EMS in recent weeks. Although the Dutch guilder is still some way off its lower intervention point in the scheme, it too has fallen sharply against the D-Mark this month.

In a statement yesterday, M. Gaston Geens, the Belgian Finance Minister, said maintaining stability of the franc was the prime objective of government policy, and this would be reflected in the 1980 budget now in preparation.

The franc's weakness in the EMS has been aggravated by the sharpening of the West German Bundesbank's anti-inflation policies in the last few weeks.

The Bundesbank earlier this month raised Lombard rate, the rate at which it lends money to banks against the collateral of securities, a further 1 point, putting general upward pressure on interest rates throughout Europe.

Additionally, heavy dollar sales by the Bundesbank to prevent the D-Mark depreciation too far has been a major factor behind the sharp rise of the D-Mark against EMS currencies.

'Welcome' for Irish pay limits

By Our Dublin Correspondent

IRISH EMPLOYERS have cautiously welcomed the Government's decision to impose a seven per cent pay ceiling in the public sector and encourage the private sector to obey the same limit for the rest of this year.

Mr. Dan McAuley, the director-general of the Federation of Employers, said the limit was now government policy, and it was not up to them to seek to renegotiate it.

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EUROPEAN NEWS

Suarez seeks Socialist support over autonomy

BY OUR MADRID CORRESPONDENT

PRIME MINISTER Adolfo Suarez yesterday met Sr. Felipe Gonzalez, parliamentary leader of the opposition Socialist Party...

has another week in which to present amendments, and it is thought that it will claim that at least 20 of the draft statute's articles are unconstitutional.

The Herri Batasuna rally has been called to present a counter-statute which recognizes Basque sovereignty.

ETA's politico-military wing, ETA (P-M), which earlier this week released unharmed the Industry Ministry's delegate in Navarre after a five-day kidnapping...

ETA (P-M) reaffirmed its support for the draft statute in Parliament, while its political counterpart, EIA, which has one seat in Parliament...

The second event comes in the wake of Sunday's police killing of a young homosexual in the border town of Irujo.

A statement issued yesterday by the national executive of the Socialist Party, Portugal's major parliamentary grouping...

New accord may solve crisis in Portugal

By Jimmy Burns in Lisbon

AN ATTEMPT by Portuguese President General Antonio Ramalho Eanes to find a solution to the country's government crisis that would not involve the dissolution of Parliament appears to be gathering convincing support.

This emerged yesterday at the end of a first round of talks between the President and the parties aimed at ending the crisis caused by the resignation last week of the 6-month-old non-party Government led by Dr. Carlos Mota Pinto.

A statement issued yesterday by the national executive of the Socialist Party, Portugal's major parliamentary grouping...

It said that this would not be an "appropriate solution" and called instead for a new agreement between the political parties.

With the outgoing government remaining in office in a caretaker capacity, Gen. Eanes appears bent on continuing with his leisurely approach to the crisis...

They say that the O.S. ratio between gross energy consumption and economic growth that was agreed last July by EEC heads of government should, in the light of the latest projections, be reduced still further.

For, viewed from Brussels, the energy outlook has been going from bad to worse, with lack of political will among member governments cited as the main stumbling block to progress.

The Commission has openly clashed with national capitals on the optimism of their assumptions on energy trends, and privately shows little confidence in their overcoming various national objections to a common energy programme.

The medium-term strategy, which was discussed yesterday by the 13-member Commission and is to be submitted to the Council of Ministers...

Brussels bid to improve matters. The documents outlining the options open to the Community make interesting reading.

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EEC BLUEPRINT URGES COMMON ENERGY STRATEGY

Brussels bid to avoid the crunch

BY GILES MERRITT IN BRUSSELS

ENERGY EXPERTS at the European Commission have drawn up a detailed strategy to 1990 that could be the blueprint for averting a crisis.

Whether it will become the basis of a concerted EEC energy policy, however, is another question altogether.

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to base energy development on the use of plentiful but expensive British and West German coal has led to a comparative drop in coal-based electricity. Commission officials are, nevertheless, insisting that by 1990

Other measures being put forward include considerable increases in taxation on energy, and the setting of goals for petrol consumption of cars. A study of the effects of various fiscal measures that could be taken, notably much higher taxation on fuel and cars, is now being put together by the Commission.

What effect the Brussels Eurocrats' dire warnings will have on EEC governments remains to be seen. Next week's summit meeting of EEC heads of government in Strasbourg is expected to concentrate on energy questions, and will have the added impetus of the call for a grand design on energy that has now been made by Herr Helmut Schmidt, West Germany's Chancellor. But in Community politics, there is often a wide gap between agreement that something should be done and a decision on what should be done.

The outstanding issues of an EEC coal policy, refining capacities, access to North Sea oil, subsidies and pricing problems, border construction of nuclear reactors and the development of national nuclear industries all stand between the Nine and a common energy plan.

The relationship between EEC member governments and the Commission is not always an easy one either. Dr. Guido Brunner, the EEC Energy Commissioner, sees his directorate as a central clearing house for information, and increasingly for policy studies. But tempers flared recently when Dr. Brunner revealed that the Nine were this year achieving only a 3.5 per cent reduction in oil consumption rather than the 5 per cent target.

sumption and economic growth that was agreed last July by EEC heads of government should, in the light of the latest projections, be reduced still further. They believe that it should be pegged to 0.7 now, and for 1986-90 cut further to 0.68.

The message is clear enough. The energy problem will be putting a brake on growth—even though the coming decade is one in which high growth rates seem essential to help solve the looming jobs crisis—that could see unemployment in the Community rise from around 6m at present to 15m in 1985.

Nor is the problem even that straightforward. For one important point that Commission officials are now making is that although slower GNP increases might help restrict rises in energy demand, a fast rate of growth is needed if the profits needed for investment in energy-efficient equipment.

Worrying as these predictions are, the Brussels Commission is stressing that they are based on a comparatively optimistic scenario in which the Nine will have implemented an energy conservation and development programme that by 1990 will have cost approaching \$230bn.

The Commission is urging that oil imports should, in effect, be frozen, so that by 1985 they will still be at last year's level of 470m tonnes.

The Community's present total energy requirement is 970m tonnes of oil equivalent, and with the projected figure for 1990 showing a rise to 1.39bn tonnes of oil equivalent, the strategy for bridging that gap is a massive increase in nuclear and coal-burning power stations.

Public opinion after the Harrisburg reactor accident in the U.S. has knocked the breath out of the nuclear industry, while EEC partners' reluctance

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For nuclear power to meet the goal of producing 140,000 MW by the end of the next decade, an accelerated programme putting 15 major nuclear power stations into service every year will be required.

The Commission report also emphasises that more determined energy savings are needed. The Community is slightly behind on its present 10-year programme for making savings of an overall 15 per cent

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Dr. Guido Brunner

PANISH ROYAL VISIT TO MOROCCO

King wages peace

BY DAVID GARDNER IN MADRID

King Juan Carlos of Spain is out today on a three-day visit to Morocco, at a time when relations between the two countries have reached a new low, principally because of their conflicting interests and at a time when the former Spanish colony of the Western Sahara.

The Moroccans have been ring an increasingly difficult expensive war against the Polisario Front, who have been fighting for Saharan independence, ever since Spain handed over its former colony Morocco and Mauritania in 1975.

The agreement was signed in the middle of the crisis created by General Franco's death and the strong Moroccan presence in the Spanish Sahara, since then, Spanish diplomacy opted for a negotiated settlement to the war which would include the Polisario. In the 18 months, Spanish officials repeatedly stressed that in does not regard the process of decolonisation complete if the Saharan people can exercise their right to self-determination, under the terms of UN resolutions dated in 1978.

The strongest manifestation of this new Maghreb policy during Prime Minister Adolfo Suarez's visit last month to Algeria. While there, he met his Moroccan counterpart, King Hassan II, in Spain's most overt act of stance since the govern-



King Juan Carlos

ing Union de Centro Democrático recognised the guerrillas last year.

The visit immeasurably improved Spanish-Algerian relations, but did not convince Morocco that Spain sought equally cordial relations with all its southern neighbours.

The Moroccans renewed their campaign of harassment against Spanish vessels fishing in Moroccan waters and revived its dormant claim to Spain's two North African enclaves of Ceuta and Melilla.

Sr. Suarez's government, however, is thought to be more concerned by the future of the Canary Islands, Algeria's opposition to the Sahara settlement and support for Polisario, led it to back the Canary Island separatist group MPALAC. As a result, Spanish diplomacy occupied most of 1978 in heading off an Algerian bid to have the Organisation for African Unity's liberation committee recognise the Canaries as African.

Though the MPALAC melted when Algerian backing was withdrawn, the subsequent rise of nationalist groups with a wide popular base in the islands is causing the Government deep concern. The Union del Pueblo Canario, which calls for self-determination for the islands, came second in April's municipal elections there.

Spanish Foreign Ministry officials indicate that none of the controversial issues at stake between Spain and Morocco will be tackled by King Juan Carlos, but instead by Sr. Marcelino Oreja, the Foreign Minister. No joint communiqué is expected and the visit is being played by the Spanish side as a low-key protocol affair.

However, it is not ruled out that the bilateral fishing agreement, the one apparent gain for Spanish diplomacy from the 1975 agreement, will finally be ratified. Little is expected on the trade front, though Morocco is a natural trading partner for Spain, which has multiplied its Moroccan sales five times since 1974.

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Czechoslovak authorities plan large-scale human rights trial

BY OUR FOREIGN STAFF

CZECHOSLOVAK authorities are preparing for their largest trial of human rights activists since 1972, according to reports reaching London.

In May 29, 10 members of the Committee to Defend the Justly Prosecuted (VONS) were arrested. The 10 include official spokesmen of the Charter 77 human rights group, Vaclav Benda and Mr. Jiri Dienstbar.

The authorities are rapidly preparing to lay charges against the 10 and one other member of VONS arrested in March, according to a statement since put out by VONS.

This statement is its 115th since VONS was founded in April 1978, an indication of its state of activity. While the Charter 77 group has concentrated on seeking to oblige the authorities to respect the UN Covenant on political and civil rights, which they ratified in March 1978, VONS has concentrated on the arrests carried out, in particular of signatories of Charter 77.

Mr. Jan Kavan of the Palacki Press Agency, which was founded three years ago to spread information on Czechoslovakia and Poland and to place manuscripts with Western publishers, says that the embarrasment to the authorities caused by VONS's evidence of "judicial persecution" is one of the reasons why its members have now been arrested.

According to VONS, its members will be charged with subversion of the republic and face up to five years' imprisonment, though in the case of Mr. Petr Uhl, his telephoning of documents to the West means he may be charged with acting

in collusion with Western powers "and face up to 10 years' prison."

VONS, which corresponds to the Self-Defence Committee in Poland, has details of 80 signatories of Charter 77—though in a television interview filmed before his arrest Mr. Benda claimed that several hundred signatories had been arrested.

Charter 77 has just published a document on the economic effects of the massive purges of officials and employees carried out in 1970 and 1971; it argues that these are largely responsible for the way that, despite Czechoslovakia's relatively advanced industrial base, its productivity is low.

The group has usually had three official spokesmen. Apart from the two—also members of VONS—recently arrested, a third of its spokesmen, Mr

OVERSEAS NEWS

AMERICAN NEWS

House expected to vote to lift Rhodesia sanctions

BY DAVID BUCHAN IN WASHINGTON

THE U.S. Senate was expected to take formal action late yesterday to lift trade sanctions on Zimbabwe Rhodesia...



Opposition mounts to Dominican Premier

By Tony Cozar

FOLLOWING THE overthrow in March of Sir Eric Gairy, Grenada's controversial Prime Minister...

Kennedy opposes health scheme

BY OUR WASHINGTON CORRESPONDENT

PRESIDENT CARTER'S proposal this week to the U.S. Congress for an \$18bn national health insurance programme has been opposed by Senator Edward Kennedy...



Senator Edward Kennedy

Vance minimises problems at home as summit nears

BY OUR WASHINGTON CORRESPONDENT

PRESIDENT CARTER was still strong enough at home to be taken seriously as a negotiating partner by the Soviet Union...

U.S. Steel announces price rises

By Stewart Fleming in New York

UNITED STATES STEEL, the largest U.S. steel producer, has announced plans to raise prices by an average 3.5 per cent...

Chicago follows NY lead on prime rate cut

BY STEWART FLEMING IN NEW YORK

CHICAGO'S largest bank, Continental Illinois National Bank, announced yesterday that it would follow the lead of Morgan Guaranty Trust of New York...

Coast-to-coast-air fare cut to \$89

BY DAVID LASCELLES IN NEW YORK

CUT-THROAT competition on the busy New York to Los Angeles air route has produced some of the deepest fare-cutting yet seen on U.S. domestic flights...

Tories follow Labour line in blocking oil for Israel

BY DAVID LENNON IN JERUSALEM AND ANTHONY McDERMOTT IN LONDON

THE THATCHER Government is maintaining the policy of its Labour predecessor in refusing requests from Israel for supplies of North Sea oil.

purchase on the spot market, and Mr. Modai said: "The situation is complete chaos. I get telephone calls two hours apart and the price jumps by 15 or 20 per cent."

Indian special courts call for Gandhi case papers

BY K. K. SHARMA IN NEW DELHI

MRS. INDIRA GANDHI, whose fortunes have been on the decline since she was imprisoned for a week last December for contempt of Parliament...

Jordanians curb bank lending

By Rami G. Khouri

JORDAN'S Central Bank has imposed a series of monetary controls to reduce inflationary pressures by curbing commercial bank lending.

Safety first choice for successor to Vorster

BY OUR JOHANNESBURG CORRESPONDENT

SOUTH AFRICA'S ruling National Party has nominated Senator Marais Viljoen, former Minister of Labour and president of the Senate...

Ghanaian promise

GHANA revolutionary government, which seized power on June 4, will honour its international financial and contractual agreements...



Gen. Magnus Malan: a rare pronouncement

S. Africa's war for black opinion

By Quentin Peel in Johannesburg

IN A RARE public-speaking engagement General Magnus Malan, Commander of the South African Defence Force...

He said that a conventional military threat "in the not too distant future" could not be ruled out...

The General, appointed chief of the Defence Force at the age of 46, nearly three years ago, is widely regarded as architect of Mr. Botha's "total strategy" for the defence of South Africa.

Buying a stake for the locals

MALAYSIA has always been regarded as a model of a successful capitalist developing economy. But it is being increasingly asked whether the radical social engineering goals pursued by the Government are compatible with the private sector's continuance as the main-spring of the economy.

vestment had fallen to 62 per cent of total investment from 70 per cent in 1970. In the third Malaysia plan, however, starting in 1976, the Government aimed to reverse the trend and to rely on the private sector as the main spring of growth.

The Malaysian Government is actively intervening in the economy to create a bigger share for the Malays, while trying to maintain a capitalist structure.

state through Petronas, the state oil company. Excluding oil, private investment rose only 7.1 per cent in 1978-79.

This week's performance was partly due to private sector investment over allegedly heavy-handed implementation of the NEP and intrusion into private business.

The predictable result has been that to maintain growth momentum, the Government has stepped up its own development spending, aiming for a rate of increase of 11 per cent in 1978-80, nearly double the plan's original target.

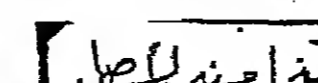
The only ready way out of that dilemma—without unduly upsetting non-Bumiputras—was for the Government to speed up acquisition of foreign held assets by Bumiputras.

None of this is necessarily undesirable. Private local capitalists have neither the money nor the expertise to move into heavy and capital intensive industry.

But the process may be unstoppable in the context of the 1990 target of 30 per cent Bumiputra ownership. That assumption was a bold one even under conditions of rapid private sector growth.

MAPCO IS COAL, BUT...

Coal is only a part of the MAPCO picture. This integrated energy company also produces and markets oil, gas and gas liquids...



Iran revolution disrupts W. German-Mideast trade

BY GUY HAWTIN IN FRANKFURT

WEST GERMAN imports of oil from Iran—formerly the Federal Republic's largest supplier—fell 50 per cent in the first quarter of the year. In Deutsche Mark terms they went down to DM 1.1bn (\$573m) in the first three months of 1979 to 550.2m.

However, the Germans managed to offset most of the decline in imports from Iran by increasing imports from other oil producers. Imports from the German Near Middle East Association show a 10 per cent increase in imports from Iraq, Kuwait and Saudi Arabia.

rose 363 per cent to DM 190.5bn. Imports of Saudi crude rose by 38 per cent to DM 899m, while imports from Kuwait doubled to DM 192.5m. At the same time shipments of oil from Bahrain rose 66 per cent to DM 3.7m and purchases in Oman went up 18 per cent to DM 27.1m.

Ohira to mediate in TV dumping fines issue

BY JOHN EVANS

DISCUSSIONS with Soviet officials over the USSR's medium to long-term economic plans up to 1990 make it evident that the rate of growth in Soviet trade with the West will slow substantially in the next few years, according to Dr. Lawrence Brainard of Bankers Trust Company of New York.

SOVIET TRADE WITH WEST Compensation deals to be cut back

BY JOHN EVANS

Dr. Brainard, senior international economist for the bank, was speaking in London after a visit to Moscow. He was a member of a U.S. delegation under a U.S.-Soviet agreement for bilateral exchange of economic specialists.

long-term plan extending to 1990. The slow rate of growth in Soviet/Western trade was evident in the planned number of trade deals involving compensation arrangements, Dr. Brainard said. In the 1973-76 period, Western companies completed 60 such deals.

obtained hard currency for large projects involving Western technology, Dr. Brainard said. Instead, domestic planning difficulties seemed to stand in the way. Soviet decision-makers seem reluctant to commit themselves to large new projects when basic components of infrastructure, such as roads to a construction site and housing for workers, could not be assured.

destined for domestic consumption, Dr. Brainard said. Moscow officials indicate that energy development would now receive particular emphasis, with planned total Soviet energy production to increase, by the year 2000, to a level two to 2½ times that of 1975.

China signs oil exploration pacts

BY KEVIN DONE, ENERGY CORRESPONDENT

NA HAS signed a further 10 contracts with some of the world's largest oil companies for its major programme of offshore exploration of oil and gas.

China had committed itself in negotiations with the oil companies to hold a first round of bidding for full offshore exploration licences within 12 months of the completion of the seismic programme of the South China Sea and the Gulf of Tonkin in the south-west of the Yellow Sea and the Po Hai Gulf in the north.

what access the foreign oil companies will have to any oil they find, but the industry is gambling on being offered some form of production-sharing contracts.

Canada urged to exploit lower tariffs with U.S.

BY VICTOR MACKIE IN OTTAWA

CANADA HAS failed in attempts to develop a strong trading relationship with Europe and should concentrate on increasing ties with the U.S., Mr. Michael Wilson, the Canadian International Trade Minister said this week in his first public address since being sworn into office last week.

Spain finalises trade agreement with EFTA

BY IAN HARGREAVES

GENEVA — Spain and the seven nation European Free Trade Association (EFTA) have finalised the remaining provisions of a new trade pact.

He promised the new Conservative Government would keep Government intervention in the private sector to a minimum and added that businessmen will be called upon to help draft legislation and regulations.

Spain meanwhile will cut duties on some products from EFTA countries by 60 per cent, and on a large number of goods by 25 per cent.

management of Neorion in February, said yesterday that the workforce had now been expanded to 800 men, compared with 1,300 before the yard was run down.

under the agreement other companies might be able to bid for some of the Exxon data. U.S. oil company will have a reimbursement, however, for its costs and permission to use the data will have to be given by the Chinese.

China has not yet spelled out the details of the exploration work. Texaco, Shell and ENI have also been engaged to carry out seismic work in areas of the South China Sea. In earlier agreements other companies such as British Petroleum have received licences to work in the Yellow Sea.

Mr. Eshiro Saito, the Nippon Steel president, and the China National Technical Import Corporation agreed that the contract be paid on a deferred basis.

Hong Kong to review EEC textile agreement

BY VICTOR MACKIE IN OTTAWA

HONG KONG IS advocating a review of its current textile agreement with the EEC signed in 1970 arguing that quota cutbacks mostly benefited developed countries.

Mr. Wilson said it is possible to identify some legitimate reasons for Canada's recent poor trade performance. Most of the weakness was due to her trade with the U.S. A lower rate of real growth in the U.S. economy was a factor in the first few months of 1979.

TT SAFEGUARDS Report opposes selective action

PATRICIA NEWBY

PERMITTING of "selective" action against imports of a particular country or group of countries under a "safeguards" code is urged in a report published by the Trade Policy Research Centre.

The EEC has been seeking a code, opposed by the developing countries, which would enable an importer to take action against just one exporter or group of exporters.

but domestic pressures in the developed countries "will almost always be strong enough to continue the protectionist controls more or less indefinitely."

NOTICE OF REDEMPTION

To the Holders of Gold Fields (Bermuda) Limited 10 1/4% Guaranteed Bonds Due 1985 Due July 15, 1985

NOTICE IS HEREBY GIVEN that, pursuant to the provisions of the Trust Deed and the Paying Agency Agreement, each Dated July 23, 1978, and Condition 5 of the above-described Bonds, Morgan Guaranty Trust Company of New York, as Principal Paying Agent, has selected for redemption on July 15, 1979, through operation of the Sinking Fund, at the principal amount thereof, together with accrued interest to said date, U.S. \$611,000 principal amount of the above-described Bonds as follows:

Table listing bond serial numbers and amounts for redemption. Columns include serial numbers and principal amounts.

On July 15, 1979, the Bonds designated above will become due and payable in such coin or currency of the United States of America as at the time of payment is legal tender for the payment of public and private debts. Said Bonds will be paid, upon presentation and surrender thereof with all coupons and interest thereon, at the option of the holder either (a) at the principal amount thereof, together with accrued interest to said date, U.S. \$611,000 principal amount of the above-described Bonds as follows:

On and after July 15, 1979, interest shall cease to accrue on the Bonds herein designated for redemption.

GOLD FIELDS (BERMUDA) LIMITED By: MORGAN GUARANTY TRUST COMPANY of NEW YORK, Principal Paying Agent

Dated: June 14, 1979

Large advertisement for Lufthansa with headline: "Your tonic is lousy. It's been lousy for years. But otherwise Lufthansa is a great company to fly with."

Lufthansa German Airlines logo and contact information. Includes text: "Consult your Travel Agency or our timetable for exact details of all our flights."

# Breweries' loans attacked

BY PAUL TAYLOR

LOANS in brewery free-trade outlets are "potentially anti-competitive," and require further and more specific examination, the Price Commission said in its reports published yesterday on Bass and Whitbread.

The growing use of linking loans to clubs and other free trade outlets is one of the main areas of criticism in the reports. The commission also expresses concern over other matters, including the policy of both companies to finance capital expenditure from internal funds.

The report on Whitbread is the more critical of the two, and would perhaps have been even more severe had certain passages in the draft report not been deleted.

Whitbread, with a turnover of almost 660m in 1978/79, owns 15 breweries and is building another at Magor, South Wales. Over half the company's sales volume is to its own managed and tenanted public houses, and the remainder goes to the free trade.

More than 30 per cent of the company's volume goes to free on-licences so it puts greater emphasis on this part of the free trade than the industry in general. It promotes sales by a number of means, including the provision of loans.

Whitbread sees these loans as a major weapon in its attempt to gain market share in the free trade, and plans to increase its expenditure on loans. The commission, however, considered that the loans "are designed to inhibit price competition and that they would be better financed from external sources."

It makes similar comments in the report on Bass.

The commission notes that Whitbread's profitability has increased substantially in 1978-1979, and was planned to increase by a further significant amount in 1979-80. It said the profitability level was adequate given the nature of the brewing industry and the competition.

After financing net investment of £202m, the Whitbread group had a cash surplus over the

five years to 1978-79 of £39.3m. However, the original cash flow budget for 1979-80 showed an excess of expenditure of £33.2m over internally generated funds.

The commission accepted that the forecast cash flow was weaker than in the past, but said capital expenditure which was generating the cash deficit had added a substantial element to capacity.

The commission said: "It would be reasonable to plan to cover some part of this either from the company's cash in hand, or by further borrowing, rather than by seeking the recovery of all the sums involved through higher prices to current consumers."

The commission's general assessment of Whitbread is that it is an efficient company.

However, it expresses concern over the company's safety record, which it says compares unfavourably with the average for the industry.

The report on Bass, Britain's largest brewer with about 20 per cent of the beer market, con-

cludes that the company is well managed and efficient. But the commission is concerned about the extent to which the company is seeking to recover labour costs, and the extent to which internally generated funds are being used for the expansion of free trade loans.

The net profit margin of Bass in 1978 was 10.7 per cent, and over the five years to September 1978, the company has generated a net surplus of funds of £51m.

The commission, once again said that where the company is embarking on expansion in the value of its business, an element of the expansion should be funded from external finance.

Price Commission Investigation Report No. 39 Bass Ltd.—Wholesale Prices of Beer and Prices in Minned Houses, and Report No. 40 Whitbread and Co. Ltd.—Wholesale Prices and Prices in Minned Houses of Beer, Wines, Spirits, Soft Drinks and Ciders: HMSO, £1 each.

# Price Commission rejects 15% Welsh water rise

BY ROBIN REEVES, WELSH CORRESPONDENT, IN CARDIFF

THE Price Commission yesterday rejected the Welsh Water Authority's case for a 15 per cent increase in its charges for water and sewerage services in this financial year.

In one of its last reports before abolition by the Conservative Government, the commission recommends no further increases in charges beyond the average 12.5 per cent increase allowed on an interim basis during its investigations.

Since water charges can be altered only once a year, the authority had already indicated

no further increases before April 1, 1980, and Mr. Nicholas Edwards, the Secretary for Wales, said there was therefore no question of an order being made.

The commission's report says that the authority faced a difficult task when it took over a diverse group of water and sewerage undertakings in Wales five years ago, and accepts that the authority has made good progress in cutting capital expenditure costs and improving the level of service to customers.

# Sir Keith's regional tour starts

By John Elliott, Industrial Editor

SIR KEITH JOSEPH, Industry Secretary, begins a tour of the regions with a visit tomorrow to Scotland, where he will meet industrialists and union leaders and will visit shipyards and factories.

Details have yet to be settled, but he may start at the former Upper Clyde Shipbuilders yard, now Govan Shipbuilders, one of the main "lame ducks" of the last Conservative Government.

Its future and that of other parts of British Shipbuilders have yet to be decided by Sir Keith. At the yard he is expected to meet management and union representatives.

Later he will meet leaders of the Scottish TUC, Confederation of British Industry and Strathclyde Regional Council. He will also visit the Scottish Development Agency.

Last month, Sir Keith announced that he would tour the regions before making important policy decisions on regional and industrial aid and on the future of the National Enterprise Board and the Scottish and Welsh Development Agencies.

# Coal price to rise by £3 a ton

BY JOHN LLOYD

THE PRICE of coal to power stations, the steel industry and domestic consumers will rise on July 1 by between £3 and £3 a ton, the second increase in four months.

The increase in power station coal will average 12.5 per cent and will mean an increase in electricity prices of about 4 per cent in the near future.

In a strong statement yesterday the Central Electricity

Generating Board said power station coal prices had risen 35 per cent over the last 18 months and the present increases "leave us no choice but to seek cheaper sources of fuel."

It is understood that the board is considering the long-term contracts for coal imports from Australia—from which it already takes over 1m tons—and Poland. These imports might amount to about 5m tons.

Sir Derek Ezra, NCB chair-

man has already written to Mr. Glyn England, chairman of the CEEB, to express his opposition to long-term contracts on this scale.

Hazel Duffy writes: It will come as a relief to industry and the consumer that neither the NCB nor the electricity industry is planning, at least at the moment, to accommodate its new cash limits by putting up prices.

# REACTIONS TO THE BUDGET

## Shoppers out in force to beat VAT increase

BY DAVID FREUD

SHOPPERS were out in force yesterday to beat the VAT increase which becomes effective on Monday. However, spending remained below the peak levels of the Christmas and sales periods.

The biggest rush was for drink and tobacco, where the VAT rate increases from 8 per cent to the new unified rate of 15 per cent.

Electrical goods continued to be in heavy demand, and there was some increase in sales of furniture and clothing, which had been relatively unaffected by the beat-the-budget activity over the last few weeks.

Victoria Wine, a subsidiary of Allied Breweries with 920 off-licences, said activity had picked up immediately after the Budget speech and that it had remained busy throughout yesterday.

The off-licence chain Augustus Barnett, with 180 branches, said trade had "increased phenomenally" since the Budget. The picture of heavy sales in drink was supported by Tesco and Harrods.

Shoppers seemed to be going for expensive items, regardless of whether they were already at 12½ per cent or the lower 8 per cent rate.

Rumbelows, the electrical appliance chain whose goods are mostly at the higher rate, said it was achieving record figures for the time of year, although demand was below the Christmas peak.

Clothes shops, where goods move up from 8 to 15 per cent

on Monday, reported only a moderate increase in sales.

British Home Stores saw "a little uplift" yesterday and Marks and Spencer said the increase was "only marginal."

The big department stores said there was some evidence that shoppers were switching their attention from the electrical appliances which had seen most interest in the last week to furniture and expensive clothing like suits.

Selfridges said it was very busy, although spending was not as sales period levels. There was strong interest in clothing.

Debenhams said sales had been very good last week and a further improvement was expected this week. The emphasis yesterday was on electrical goods, furniture and textiles.

## BL car dealers ready for last-minute sales rush

BY KENNETH GOODING, MOTOR INDUSTRY CORRESPONDENT

MANY BL car dealers will take advantage of any slight increase in private-buyer interest yesterday.

However, the UK new-car market is dominated by company purchases; at least six out of 10 new cars are bought by companies or partnerships that are not affected by the VAT increase.

The percentage of private buyers may be expected to drop further in the wake of the VAT rise, which, when coupled with manufacturers' price increases this month, have added 12 per cent to the cost of an average family saloon in the past four weeks and 20 per cent since the start of the year.

Because the company car market is so strong, analysts have not significantly revised their forecasts about the possible outcome for the full year.

at the weekend.

Some car retailers reported a slight increase in private-buyer interest yesterday.

Showroom stocks of Austin-Morris cars in particular are reasonable and dealers will stimulate last-minute purchases by advertising the savings to be made and by remaining open until late on Saturday evening.

Promotions will mention, for example, that the Mini 850 will go up by £147 on Monday, the Allegro 1300 four-door saloon by £195 and the Princess 2200 HLS by £352.

Many other dealers, particularly those handling Ford cars, are short of stock in the showrooms because of supply difficulties and extraordinary demand throughout the past two months. They will thus benefit little from any surge in buying

## Petrol increase 'will work out at 12p to 14p'

BY SUE CAMERON

INCREASES IN petrol duty and value added tax will push up the price of a gallon of four-star by between 12p and 14p rather than the 10p mentioned in the Chancellor's Budget speech. Mr. Goldie Goldsmith, north-west regional chairman of the Motor Agent's Association, said yesterday.

The 7p-a-gallon increase in petrol duty and the 3p a gallon increase in VAT would add considerably to petrol station costs. He stressed that these higher costs would be passed on to motorists in addition to the basic 10p-a-gallon rise.

The increase in duty and VAT will mean that garages will have to pay an extra £1,000 for every 10,000 gallons they buy in. This will have an adverse effect on their cash flow and it will mean many of them will have to borrow from their banks.

Another point is that 1 per cent of the petrol they buy evaporates before they can sell it, yet the petrol stations will have paid duty on this already.

The increase in petrol duty came into force at midnight on Tuesday. The VAT increase does not begin until Monday.

In the South-West, the Transport and General Workers' Union has started action against petrol stations which it considers to be profiteering.

It said similar action was likely to be taken by members in other areas.

The union said it was not trying to prevent petrol stations making a reasonable profit, but tanker-drivers had been asked to report cases of "blatant overcharging." If necessary tanker drivers would black garages profiteering.

The TGWU said that a day before the Budget it had been told of a garage in Tel-

mouth, Devon, charging £1.19 a gallon for four-star, and that the union persuaded it to reduce to 99p a gallon.

The Motor Agents' Association said that some 60,000 pumps could not be adjusted to show prices of £1 or more. They would show half prices, and motorists would have to double the cost shown.

A 50p fuel surcharge each way is to be imposed on certain Seaport hovercraft services from July 1. British Rail said it was because of oil price increases.

## State aid cuts 'will hit big cities'

BY MAURICE SAMUELSON

SOME BIG cities will be "desperately hurt" by cuts in central Government aid, which could lead to sackings of teachers and reduced council services, Mr. Tag Taylor, chairman of the Association of Metropolitan Authorities, said yesterday.

The Chancellor's £300m cut in the rate support grant would mean a 5 per cent cut in the pay bill of the association's 36 members, who employ 40 per cent of the 2m local government employees in England and Wales.

The rate support grant accounts for about half the £18bn local authority spending.

Education took about 60 per cent of council's budgets, and three-quarters of the education bill went on pay and salaries. Some authorities had budgeted very tightly for 1979-80 and would be hurt "desperately" hard. Most could "just about stand" the £300m reduction this year, but accepted it as nine months' notice of painful cuts for 1980-81.

The £300m would have to come from council balances, from which £500m was already being drawn. The problem would be made even harder by the 2.3 per cent additional inflation forecast by the end of 1979.

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Sir James Goldsmith

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John Goldsmith

REACTIONS TO THE BUDGET

Brokers divided on chances of success

BY DAVID FREUD

VITAL reaction to the Budget among City stockbrokers was mixed. Most agreed that it presented a risky strategy in an inflationary context, but there was disagreement over how successful it was likely to be.

Phillips and Drew argued that the inflation likely to be about 16 per cent for most of next year, the reintroduction of formal incomes policy was in the balance for 1980.

More optimistic assessments came from Wood Mackenzie and Capel-Cure Myers. Wood Mackenzie said the policy offered a prospect of an economy in which the private sector could be expected to expand.

The switch in emphasis from a public sector was therefore a justifiable risk. Capel-Cure Myers said it would certainly not wish to subscribe to a pessimistic view that a wage-cost spiral is likely. He said the inflationary content of the Budget was not as obvious as it appeared. He detected a strong determination on the part of the Government to bring to strict limits on money growth.

James Capel and Co. said it while the "courageous realist tone" of the Budget was encouraging, the immediate outlook for company profits, particularly in the retail goods sectors, had deteriorated further. The medium-term threat remained our unrest, but beyond that the prospects should be standing. According to Kemp-Gee and the Chancellor's measures not add up to any radical change in the general nature of the financial environment. It was a broadly neutral Budget, which meant no change in the modestly depressed outlook for domestic activity.

The firm said monetarists in the financial markets would be disappointed by the lack of a firm commitment to reduce the target for monetary growth, and the new 7-11 per cent range "smacked more than a little of a faint heart."

Impact

Phillips and Drew argued that accelerating prices, combined with a deteriorating world background, were likely to seriously undermine, if not totally engulf, policies aimed at maintaining firm monetary control through either a transfer of resources from the public to the private sector or in a shift from direct to indirect tax.

The overall deflationary impact of the Budget would depress GDP growth by 4 per cent over the next 12 months and probably boost the number of unemployed by 100,000.

It is extremely unlikely in the short-term, or even the long-term, that the policy mix will create sufficient incentives to offset significantly the aggregate adverse effect on domestic demand. Indeed, in so far as the shift from direct to indirect tax encourages saving and discourages spending, the short-term curtailment of activity will be intensified, said the firm.

The trends in company profits and liquidity were not likely to provide much encouragement for the market, it said.

On the basis of 15 per cent growth in earnings over the 1979-80 round and no deterioration of industrial relations, profits were forecast to grow by 10 per cent in 1979 and 1980. This meant the corporate borrowing requirement would

rise sharply, concluded the brokers.

Capel-Cure Myers said the corporate sector's deficit had given cause for concern for some time and it was obvious that, in the short-term at least, the pressure on profitability would be intensified.

Wood Mackenzie argued that the risks arising from the Budget were of political repercussions and escalating inflation. The significant moves on public expenditure—particularly on cuts in employment subsidies and the maintenance of exacting cash limits—could cause a kick-back in terms of industrial production.

However, the Government is going to exploit to the full the normal honeymoon period it can expect in the immediate aftermath of an election. It is also helped by the relatively favourable trend in unemployment over the last year.

Hoare Covett described the Budget as "a bold and brave package." International reaction was likely to be favourable and the pound should respond well in the immediate future, it said.

State steel group forms consultancy

By Hazel Duffy, Industrial Correspondent

A CONSULTANCY group to carry out design audits on new and existing plants has been set up by the British Steel Corporation. It believes that this is the first time such a group has been formed in the UK on a commercial basis.

The group will use teams of engineers who will ensure that plant is operating at peak efficiency.

Their methods have been used in the Corporation for the past five years, and the aim now is to market the skills more widely.

Any type of plant will be eligible and the group expects to win business worldwide. It is aiming for an initial turnover of £500,000.

The group has been formed jointly by the unit inspection company, part of BSC tubes division, and engineers from the Corporation's engineering centre. It will be based at Kingston-upon-Thames.

The team will conceive and develop new plant where necessary. Its work will complement the advisory role on new steel plants performed by BSC overseas division. The audit group studying designs for cost-effectiveness before the plants are built.

London transport fares 'up again in September'

BY IAN HARGREAVES, TRANSPORT CORRESPONDENT

FARES ON London's buses and underground trains will have to be increased by at least 12 per cent in September, according to Mr. Horace Cutler, leader of the Greater London Council.

That would mean a rise over the whole year of almost 20 per cent, since fares are to go up by 7.5 per cent on Sunday, the day before underground workers plan to strike over a pay dispute.

Mr. Cutler said that the second round of fare increases would be necessary on the basis of the 14 per cent pay

increases likely to result from a settlement earlier this year with the capital's bus workers. Assuming that underground workers reach a similar settlement an extra 12 to 13 per cent would be needed in September from fares.

Underground workers are threatening to strike in support of their claim of an increase higher than that awarded to busmen. The busmen's deal involved a 9.8 per cent basic increase, with a possibility of a further 3.5 per cent for higher productivity.

London Transport is expected to present details of a proposal in the next few days for a September round of fares increases.

With the squeeze on rate-support grant announced in Tuesday's Budget, the council has been left with less room than usual to manoeuvre on its transport budget.

As policy, the council is gradually reducing operating subsidies to London Transport while increasing the sums spent on capital projects.

Widen share plans, says Shawcross

By Christine Meir

IT IS WRONG to encourage employees to invest all their eggs in one basket—their wages and their savings—if they work in weak industries, Lord Shawcross told the Wider Share Ownership Council, of which he is chairman, yesterday.

He said that present employee share schemes applied only to shares in employees' own companies.

He would like to see such schemes broadened to include investment clubs in which the employer would deposit a profits bonus on behalf of the employees, to be reinvested in a spread of industrial equities or unit trusts.

The main point of employee share schemes was to encourage workers to hold the shares as savings or capital and not to sell them.

In a pre-Budget address to the CBI in Sheffield Mr. Nicholas Goodison, chairman of the Stock Exchange, had also called for a greater sense of partnership between owners and employees.

Continuing evolution of the limited company as an entity would mean more profit-sharing, participation and consultation.

"I have often wondered whether the Stock Exchange should help by asking companies as part of the listing agreement to disclose the means by which they consult their employees," he said.

Laws 'inadequate' for lotteries

BY TIM DICKSON

EXISTING LEGISLATION is proving inadequate to deal with the growth of lotteries, the Gaming Board for Great Britain said in its annual report, published yesterday.

The board is increasingly concerned that no provision is made in the Lotteries and Amusements Act, 1976, under which the activities of professional agents can be directly controlled.

"In order to obtain the

maximum return, some agents have tried to run all the lotteries as one operation and to concentrate on their own brand name, rather than on the fact that any particular lottery was promoted by a particular society or local authority."

A further consequence of the intervention of agents, the board says, is the development of standard contracts with promoters that have led in some cases to agents' taking

a higher percentage of the proceeds than legally permitted.

Lotteries have become more competitive and individual operations have found increasing difficulty in selling all their tickets. That has led to many lottery accounts' complaining the permitted level for prizes or expenses.

Report Of The Gaming Board For Great Britain, 1978 (House of Commons Paper II, Stationery Office: £1).

Little encouragement for small businesses

BY JAMES McDONALD

THE NET result of the Budget was that it was orientated towards production in existing areas but added little to the encouragement of risk-bearing and wealth creation in the highly personal small business sector. This is the view of Brian Kingham, chairman of the Association of Independent Businesses which represents 25,000 smaller enterprises.

Any Budget so broad-

sweeping as this makes it difficult to assess the ultimate outcome. Moreover, there are several gaps, most notably the delay in ending the damage caused by taxes on capital which bear so heavily on the private business sector.

Similarly, the increase in the Minimum Lending Rate to 14 per cent can only hinder any early expansion in business activity and we hope it is of a temporary nature only."

Rates warning 'threatens council independence'

BY MAURICE SAMUELSON

MICHAEL HESELTINE'S warning to local government not to raise rates to offset grant cuts is a "threat to the independence of local authorities," Raymond Lacey, president of the Chartered Institute of Public Finance and Accountancy, said yesterday. He was commenting on a warning by the Environment Secretary that selective action might be taken against councils which passed on the grants cuts ratepayers.

"Any attempt to control the budgets of individual authorities will certainly weaken Government control or influence on total local authority expenditure," Mr. Lacey told the institute's annual conference in Eastbourne.

He also called for greater opportunities for accountants to reach the highest jobs in the civil service and added: "They need to be seen as people who can make a broad contribution at all levels of administration."

Woollen industry expects quick trade stimulus

THE BUDGET promised a quick stimulus for the textile industry, said Mr. Tony Gould, X and Ireland branch manager of the International Wool Secretariat, yesterday.

He said: "The Budget has considerable implications for both manufacturers of furnishings and the Woolmark users. The full benefits of the cuts in direct taxation will be enjoyed this autumn and although some of the extra disposable income will be swallowed up in higher VAT prices, there will, on the whole, be more money in the economy. It is, indeed, fortuitous that it should coincide with a

time when the public at large is raising its standards. This has been reflected in increasing price structures for all types of textiles, and there has been a marked return to quality merchandise and natural products. Cotton, leather and wool, as well as pure new wool, have benefited from this fundamental change in consumer attitudes.

"And if proof were needed to add to personal observations it could be found in the consumption of wool over the counter in 1978, which was 15 per cent higher than in 1977. Moreover, all the latest indications suggest that this trend is continuing, and thanks to the Budget 1979 will be an even better year."

Ulster to reduce public expenditure by £35m.

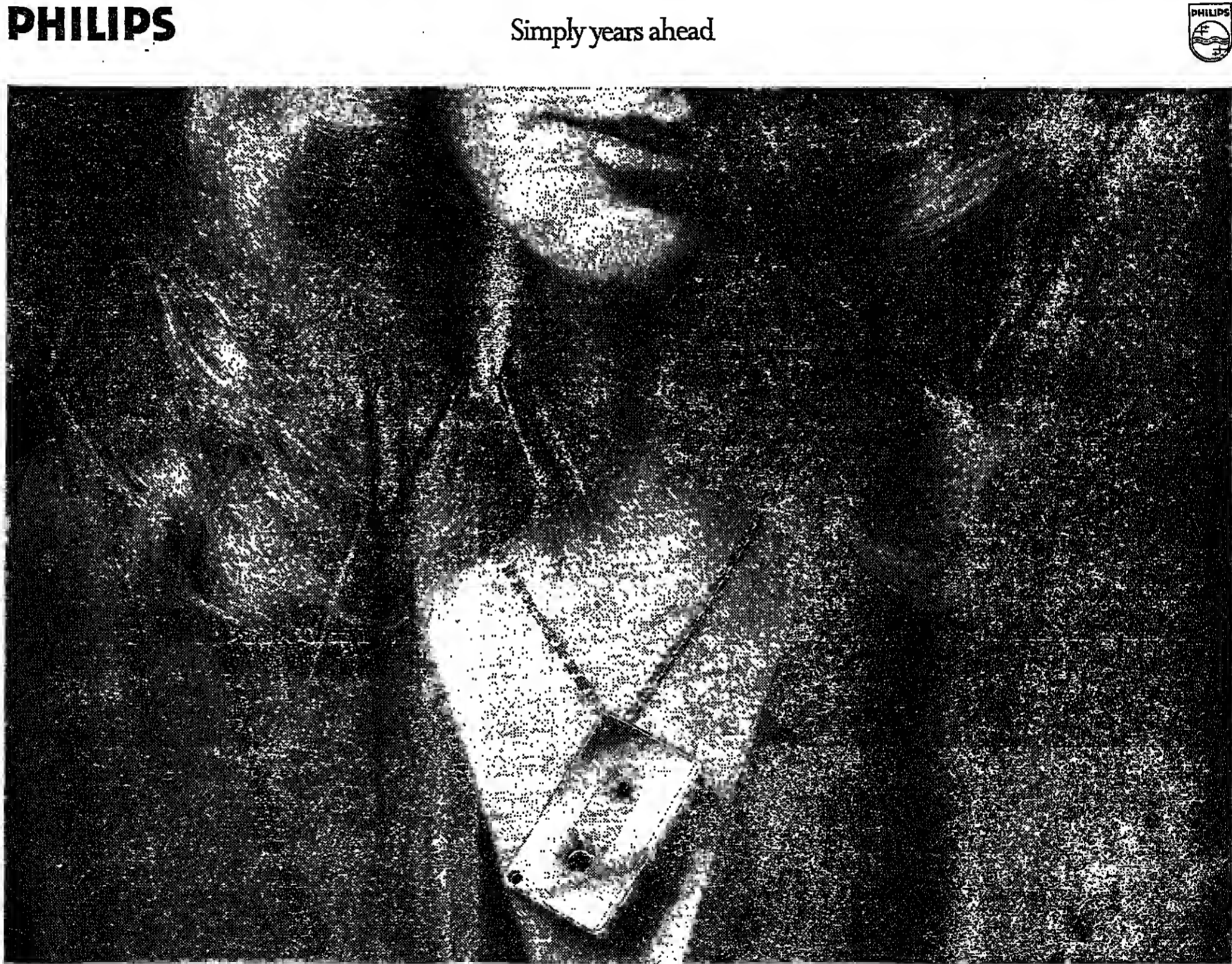
BY OUR BELFAST CORRESPONDENT

NORTHERN IRELAND Government departments will contribute £35m this year to public expenditure cuts, Mr. Humphrey Atkins, Ulster Secretary, said yesterday.

About half of this is made up of savings in areas where Ulster is in step with Great Britain, the impact of the remaining reductions is being cushioned by the Government's decision to fund the Meat Industry employment Scheme (MIES). This offsets the effects on meat producers and processors of the UK's green pound policy, closes the gap between market prices in Ulster and those of the Republic to prevent the Republic from over the border and a consequent closure of

meat plants. MIES helps to protect about 4,000 jobs, and has cost about £40m in the past year. The Ulster departments cuts are: Manpower Services, £11m; Commerce, £10.5m; Environment, £7.7m; Health and Social Services, £2.3m; Education, £2.1m; Agriculture, £500,000; Civil Service, £500,000; and the Department of Finance, £400,000.

About £10m of the Department of Commerce cuts will be achieved by delaying for four months the payment of capital grants to industry, which are applicable to all of Britain. About £7.5m will be saved by Manpower Services by discontinuing the selective employment premium from July 31.



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UK NEWS

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Post Office keeps up profit

THE POST OFFICE, which the Government is considering dividing into two autonomous corporations, will declare a profit next month for the financial year 1978-79 of between £380m and £370m.

but two of the existing three businesses—posts and National Giro—would probably become one body, still called the Post Office.

Mr. Jackson is to see Sir Keith Joseph, the Industry Secretary, next week, when it is thought the subject of the split will be discussed.

holding shares in the corporation as a whole, but it is assumed that the Government would wish to retain some stake.

Yorkshire probe for oil and gas

CANDECCA RESOURCES, a UK onshore exploration and production company, is planning to look for oil and gas in Northern England and Scotland in conjunction with a consortium led by Taylor Woodrow Energy.

The planned joint venture, which will have to be approved by the Department of Energy, will involve a two-year programme of exploratory drilling and appraisal in the Yorkshire, Humberside and the Scottish midlands valley.

Maintenance plan may clear Europe's DC-10s

AIRLINES IN Europe flying DC-10s are to meet in Zurich tomorrow to discuss new inspection and maintenance procedures, which they hope will lead to an early resumption of flights by their aircraft.

The European Civil Aviation Conference is careful, therefore, to emphasise that even next Monday's meeting is not necessarily the final step in getting the DC-10s airborne again.

The FAA itself may not want to move quickly. It is under intense and even hostile Congressional and consumer pressures in the U.S., where feeling is strong against the DC-10.

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Chairman's Letter

To our Shareholders. Last year I was glad to report to you about your bank's success during the first year of its existence in building up its balance sheet and establishing its good name in the Arab and international financial circles.

BALANCE SHEET (in French Francs) table with columns for 1978 and 1977, listing assets and liabilities.

STATEMENT OF INCOME AND RETAINED EARNINGS (in French Francs) table with columns for 16 months ending December 31 1978 and 1977.

Investment confidence brings Highlands boom

THE HIGHLANDS of Scotland are beginning a development boom with investment confidence growing. Sir Kenneth Alexander, Highlands and Islands Development Board chairman, said yesterday.

been no cause for self-satisfaction. Too many communities still lack a reasonable range of employment opportunities, measured both in choice of jobs and attainable levels of earnings.

Short Brothers announces new aircraft range

SHORT BROTHERS, the Belfast-based aerospace company, announced yesterday from the Paris Air Show that it plans to develop a new range of commuter aircraft to enter service in the mid 1980s.

Private hospital wins battle

THE WELLINGTON Hospital in North London, where charges start at £130-a-day, excluding treatment, today won its hard-fought battle to expand.

that a private scheme will harm the NHS before it can turn down an application.

Radio contract for Tay Sound

THE INDEPENDENT Broadcasting Authority is to offer the independent local radio a contract for the Dundee and Perth area to Tay Sound Broadcasting, subject to agreement on some details.

Hilton to build Gatwick hotel

THE BRITISH AIRPORTS Authority announced yesterday that Hilton International had been selected to build and operate a hotel, the Gatwick Hilton, at Gatwick.

MICHAEL STRUTT REPORTS ON THE INTERNATIONAL CYCLE SHOW

Prospects bright for pedal power

ALTHOUGH value-added tax is to go up, there was no doubting the underlying air of optimism at the International Cycle Show, which opened at Harrogate, North Yorkshire, yesterday and runs until Sunday.

only expensive racing machines had 12 speeds. Soon, Steyr-Daimler-Puch's light aluminium sports cycle, the Altron, should be available.

companies such as British Airways and British Leyland and several large stores to transport goods from one part of a factory complex to another.

or protect them from today's appalling city traffic. That is why Friends of the Earth are an important presence and doubly welcome at the show.

Vertical text on the right edge of the page, including 'Medical', '193', 'Today', '1979', and '1978'.



### Chemical workers seek at least 20%

By Nick Garnett, Labour Staff

CHEMICAL industry employers in the light of the Budget in the recent top salary bands be prepared to pay rises of at least 20 per cent in the present round, unions said yesterday.

Chemical companies and use in related industries, including oil refining, will see the ruling as an attempt to raise the going rate established by settlements early in the next year, starting in August. The chemical industry's settlement runs from May. Imperial Chemical Industries, which operates separately is also due to settle at the end of this wage round.

Employers and unions representing 60,000 chemical process workers are due to resume negotiations tomorrow. A pay offer at might be worth up to 14 1/2 per cent has been rejected though it was thought that the sides were not too far apart.

Mr. John Miller, secretary of the union side of the industry's joint council, said that top salary bands and the Budget had not yet opened any possibility of agreement on a marginal improvement to the offer.

Workers were taking the view that the Government itself had set a going rate of 15 per cent and if the chemical industry did not take that, it might be faced with national industrial action.

"If we are now, because of Government, going back to an area of irresponsible offer-all, everything is up for the air."

Mr. Miller, secretary of the unions, said indications were that the company's "float" of up to 16 1/2 per cent would also be rejected.

### Decca unions seek meeting

By Nick Garnett, Labour Staff

DECCA trade unions are seeking the company for a final-level meeting between senior union officials and company directors over a company's plans not to raise wages this year.

The unions' demand for a wage increase this year is because of its cash-flow problems.

## Civil servants plan strike

BY PHILIP BASSETT, LABOUR STAFF

PROFESSIONAL CIVIL servants were instructed to strike on Friday week and to call further selective strikes after that in support of their pay claims.

The executive of the traditionally moderate Institution of Professional Civil Servants, which represents 100,000 mainly specialist staff, decided to instruct members to ban overtime and travel outside normal hours and use of private cars on official business, and to withdraw goodwill, including participation in productivity agreements.

Staff in the one-day stoppage on June 22 will include air traffic control, intelligence and fingerprint officers and inspectors of nuclear installations, mines, gas plants, factories, explosives, accidents and dangerous drugs.

Details of the selective strikes, expected to last for a week in each chosen area, will be announced next week.

They are likely to include marine engineers in Government dockyards, Royal Mint staff, Home Office analysts of drink-driving blood samples, and Stationery Office supervisors.

Regional reports show strong support for action from union members.

The dispute is over pay of two groups: about 40,000 professional and technical staff, mainly engineers, and 10,000 whose pay is linked to theirs; and about 20,000 Government scientists.

Mr. Bill McCall, the union general secretary, said that the offer would give new rates of £9,250-£10,700, increases of 24.1-22.57 per cent.

"The union is pressing for increases of 26-47 per cent, with pay scales based on the upper quartile of the evidence from the Pay Research Unit comparability studies.

The Civil Service Department, which has offered increases of 18.3-24.1 per cent, says that the scales should be based on the research unit's medians.

Administration grade principals won increases this year of 30.3-34.6 per cent, for example.

For roughly equivalent principal professional and technology officers, now on £7,448-£8,728, the union claims new rates based on comparability reports of £10,675-£12,675, or increases of 43.32-45.2 per cent.

The offer would give new rates of £9,250-£10,700, increases of 24.1-22.57 per cent.

The Department insists that

scientists' pay, to be included in any Pay Research Unit comparability study for 1980, should not be linked this year to the administration grade settlement, which gives average rises by January of 25 per cent.

Some Department officials privately admit that the insistence is without real foundation.

Union officials from the Society of Civil and Public Servants and the First Division Association met Mr. Paul Channon, Civil Service Minister, yesterday over the pay of some senior civil servants.

The unions have rejected an offer "considerably below" the unit's rises for the grades, which if fully implemented would take assistant secretaries from £12,273 to about £18,700 and senior principals from £10,809 to about £15,000.

## Miners pledge to fight for early Government defeat

BY RAY PERMAN, SCOTTISH CORRESPONDENT

MR MICK McGAHEY, Scottish miners' leader, said yesterday that the miners would create conditions to defeat Mrs. Thatcher's Government, before a general election in 1984.

In his presidential address to the Scottish area conference of the National Union of Mineworkers, he said that the union was critical of Labour's performance in office, but would continue to fight for the return of a Labour government as soon as possible.

He attacked the Conservative Party for its class bias, for acting solely in the interests of rent, interest and profit, and for its proposal to limit trade union rights.

The question before the labour and trade union movement was how to organise and fight back. It was not a question of whether the unions should talk to a Tory government, but what should be said.

The TUC should mobilise the union movement to make it clear to the Government that it would not tolerate threats to trade union rights.

"We shall have no interference in the rights that we have secured over generations of struggle. This is not to challenge Parliament, as they put it, but in fact is to inform Parliament that we are determined not only to defend our position, but to advance the interests of

the working people and the trade unionists we represent."

This year's miners' conference should press forward with wage demands and insist on a four-day week without loss of earnings, improved pensions and sick benefits. These should form the basis of a miners' charter around which the union could mobilise its members.

Mr. McGahey called for increased output and an end to unofficial walk-outs, which were a bar to improved productivity.

"I am convinced that given the willing co-operation of all in the industry, we can meet our production targets."

He warned that concentrating on the productivity incentive scheme as a factor contributing to accidents like Iohsbe in Bentley and Golborne collieries diverted attention from other possible causes, not least the miners' failure to apply proper safety standards.

Britain's biggest white collar union, the National and Local Government Officers' Association, yesterday laid the foundation of a more effective strike policy in anticipation of trouble ahead.

Delegates at NALGO's annual conference in Blackpool saw the Budget as a threat to jobs and the standard of public services. They instructed their executive to prepare a white paper for next year's conference aimed at streamlining dispute procedures.

## Injunction halts union election

By Nick Garnett, Labour Staff

COMPLETION OF the election for the assistant general secretary of the country's biggest construction union could be delayed until early next year unless a High Court action is heard within the next few months.

Mr. Ivor Jordan, eastern regional secretary of the Union of Construction, Allied Trades and Technicians was granted a High Court injunction last month halting the election pending a full court hearing.

No date has yet been fixed. This followed a decision by the union's executive to rule out Mr. Jordan's nomination for the post after he had declined to give a commitment that he would live in London.

The executive's decision apparently revolved around a clause in the union's rule book relating to expenses involved in transferring in London after election as well as a separate executive decision that the new officer should live in the capital.

The relative clarity of the rule will be challenged in court.

Mr. Les Wood, the former assistant general secretary, became general secretary following the death last November of Sir George Smith. Mr. Albert Williams, an executive member, is acting assistant general secretary.

Original nominations were Mr. Jordan, 51, who lives in Cambridge, and has been supported by the Left; Mr. Len Easton, London regional secretary, supported by the Right; Mr. Jimmy Hardman, executive member and Mr. Tom Graves, a national official.

Under UCAAT election rules, if no candidate receives more than 50 per cent of the votes, a second round of elections must be held.

## Action call on pit closure

BACKING for industrial action against the planned closure of Deep Duffryn colliery, South Wales, is to be sought by South Wales miners' leaders at the NUM's national executive meeting in London today.

Mr. Emlyn Williams, the South Wales miners' president, is to seek permission of the executive for a coalfield ballot of South Wales's 30,000 miners

## Bid to save Prestcold factories

By Arthur Smith, Midlands Correspondent

WORKERS throughout BL are to be urged to give money each week for a campaign to prevent closure of Prestcold's two Scottish factories with the loss of 900 jobs.

The action was recommended in Coventry yesterday by the BL Shop Stewards Combine, an unofficial body which claims to represent the state-owned concern's 135,000 manual workers.

The meeting was addressed by Prestcold stewards who are hoping to mount a campaign similar to the one for Upper Clyde Shipbuilders in the early 1970s.

The two factories, which make compressors for refrigerators and freezers, are scheduled to close on September 1. Prestcold attributes the move to low demand, cheap imports and "missive over-capacity in the European refrigeration compressor market."

Hopes that a private buyer might be found for the factories—an option favoured by the Government—have not yet been realised. The Prestcold stewards have declared that they will not cooperate in any attempted closure and will "block" any effort to remove machinery or components to other Prestcold plants.

## TASS favoured by a third of Aerospace division senior staff

BY ALAN PIKE, LABOUR CORRESPONDENT

A DECISION by the management of British Aerospace Warton division to recognise TASS, the white-collar section of the Amalgamated Union of Engineering Workers, on behalf of senior staff has been supported, in a ballot, by about one-third of the 400 employees involved.

Under the agreement with TASS last month the divisional management undertook not to recognise any other group "with affiliation in a non-Confederation of Shipbuilding and Engineering Unions body, or any organisation outside British Aerospace." This came as a setback to the Engineers and Managers Association, which

will next month complete an amalgamation with BACSTAFF, the local staff association at Warton.

Under the terms of the agreement TASS has undertaken to co-operate with a senior staff group provided there is no affiliation between it and any other non-Confederation body.

In a ballot on these arrangements about one-third of the senior staff have voted in favour of being represented by TASS and another third in favour of a new independent management association.

Mr. John Lyons, general secretary of the EMA which has now referred the Warton

recognition issue to the Advisory Conciliation and Arbitration Service, said yesterday there was "no chance that this ill-conceived and hastily concocted agreement between TASS and the Aerospace management can long survive."

He said the ballot, which was "run by the management who set the questions to suit themselves" was of no real authenticity. Yet even this limited referendum showed a clear repudiation of TASS by the majority of the staff concerned, Mr. Lyons added.

In the Warton hallot BACSTAFF members were urged to vote for the Independent association.

## Disputes 'threaten PA reputation'

BY OUR LABOUR CORRESPONDENT

CONCERN FOR the Press Association national news agency's reputation and reliability would arise if it again became drawn into industrial disputes to which it was not a party, Mr. J. G. Park, chairman, said yesterday.

Mr. Park, speaking at the PA's annual members' lunch in London, referred to the provincial newspaper dispute during the

winter when the National Union of Journalists instructed Press Association members to stop work in support of strikers in the provinces.

"The Press Association itself had no part in this dispute and personally I see it as desperately unwise of the NUJ to have sought to involve the country's national news agency in the affair," said Mr. Park.

The PA was a primary source for radio, television and all printed media in the country.

"We have a significant role in the communication of news in this country. It seemed—and still seems—to me sadly without regard for professional or even social considerations to have involved us in a sectional dispute to which the agency was in no way a party."

## Manpower Commission's future to be discussed

BY OUR NEWCASTLE CORRESPONDENT

THE LONG-TERM future of the Manpower Services Commission, whose annual budget has been cut by £110m to about £730m, is to be discussed with the Government within a week.

Mr. Richard O'Brien, chairman of the commission said in Newcastle-upon-Tyne yesterday, that notices throughout the country would be asked for their views before the meeting with Mr. James Prior.

He said: "I can give an assurance that the development of Manpower Services and its essential priorities will continue. While we will have to look very carefully at how to handle these

cuts, the essential thrust of our programme continues."

Mr. O'Brien said there would be a reduction in the training opportunities scheme, particularly in the second half of the year, and that these would affect mainly the commercial clerical training sectors.

The biggest cut, of £82.2m, will be in the special temporary employment programme which will now be concentrated in areas of greatest need.

About £25.2m will be cut from the youth opportunities programme and another £22m from the training opportunities scheme.

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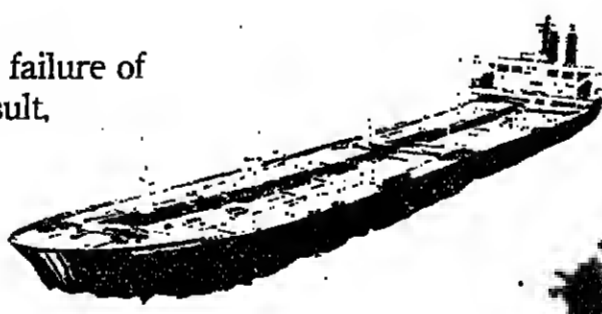
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# Healey condemns 'outrageous' Howe Budget

BY IVOR OWEN

DOUBTS ABOUT the Government's intentions over the imposition of a pay freeze will add to the pressures generated by the Budget for high wage settlements, Mr. Denis Healey, the former Labour Chancellor, warned in the Commons last night.

He cited an earlier admission by Sir Patrick Jenkin, the Social Services Secretary, that the Government expects the year on year rate of inflation to reach 17½ per cent by November to highlight the dangers ahead.

Mr. Healey claimed that the measures introduced in the Budget would be directly responsible for adding 3 per cent to the rate of inflation which, he said, would be rising at three-quarters of 1 per cent a month this winter, long after the tax cuts announced on Tuesday had made their impact.

He envisaged "a winter of discontent which will dwarf in its disastrous effects on the economy and on society anything we have seen in this country in the past."

Mr. Healey argued that the "vague" talk by the Prime Minister about a pay freeze could only have the effect of encouraging all groups of workers to get the highest possible pay increase they could squeeze out of their employers as quickly as they possibly could.

If a pay freeze were to be imposed, he stressed the Government would then have to face the problem of how to emerge from it without a wages explosion.

Mr. Healey questioned the apparent confidence of Sir Geoffrey Howe, the Chancellor of the Exchequer, in facing this situation.

He suggested that if it were based on the belief that monetary policy could determine wage levels he was showing the "blind religious fanaticism of an Iranian ayatollah or Sir Keith Joseph, the Industry Secretary."

When Mr. David Crouch (Canterbury) asked Mr. Healey to consider whether his own speech might encourage excessive wage claims, the former Chancellor reaffirmed his belief



Budget reaction: Last chance for shoppers seeking lower VAT prices

that increases in earnings not linked with increases in productivity could only generate inflation and would not improve living standards.

But the Government of the country had to take its own responsibility to the working people of the country seriously. It could not expect wage re-

straint if it showed no restraint whatever itself.

Mr. Healey protested that in the course of ten minutes in his budget speech, the Chancellor had blown away the results of five years of painful work by the former Labour Government in bringing down the rate of inflation.

"The Chancellor has no right to preach about the senselessness of higher wage increases when, by his own action, he is increasing prices by 5 per cent at a stroke and proceeding with commitments involving provocative pay increases for those with the highest salaries in the country."

Mr. Healey admitted that the Budget would have been a difficult one, whichever Government had been in office.

But the main economic effect of the measures which Sir Geoffrey had chosen to introduce must be to produce a massive increase in both prices and unemployment.

He accused Sir Geoffrey of having made all his problems far more difficult by a reckless and insensitive dedication to election rhetoric, which was designed to appeal to private greed.

"The disastrous consequences of his Budget will be felt not

just in the next months but for many years to come."

Mr. Healey emphasised that other price increases lay ahead, in addition to those imposed directly by the Budget.

These included higher food prices, which must result from the proposed devaluation of the Green Pound.

He contended that the policies adopted by the new Government were on broadly similar lines to those followed by the Heath Government in 1970.

This raised the question of how long it would be before Mrs. Margaret Thatcher followed the other precedent set by Mr. Heath—at what point will her opportunism finally override her obstinacy?

Earlier, Mr. James Callaghan, the Opposition leader, condemned the Government's complacent attitude to the fact that it expected year-on-year inflation to reach 17½ per cent by November.

"It is totally outrageous," he declared.

## Foreign trade guide

FINANCIAL TIMES REPORTER

THE DECISION in the Budget to re-align the use of Sterling in third-country trade will apply only to deals involving British merchants and not to such trade in general, the Bank of England explained yesterday.

This means that the liberalisation of this aspect of exchange controls does not go as far as was suggested in the Financial Times yesterday.

The details have yet to be worked out. The relevant paragraph in the Budget speech by the Chancellor reads: "During the sterling crisis of 1976 the last Government stopped the use of sterling to finance third-country trade.

This restriction has placed British merchants at a disadvantage in international business and I am taking the opportunity to restore the facility to them as soon as possible."

Before November 1976, British banks were allowed to finance trade between third countries as long as one of them was in the overseas sterling area (the old scheduled territories).

British merchants arranging deals between third countries could use their own sterling resources to buy, for example, the D-Mark necessary to ship German goods to Japan.

Since then, merchants have had to borrow foreign currency, probably dollars, to finance trade where no British party was involved, and this has sometimes proved a cost disadvantage.

British banks have been prevented from providing sterling finance for any such deals between third countries.

The Budget decision is aimed at providing suitable relief to British merchants. It is not currently intended that the relaxation of the 1976 measures should extend to VAT.

## Biffen pledges control over State spending

BY JOHN HUNT, PARLIAMENTARY CORRESPONDENT

A FIRM declaration that the Government intends to stick to its plans for expenditure cuts and the enforcement of cash limits was given to the House by Mr. John Biffen, Chief Secretary to the Treasury.

"This Treasury bench is determined to bring State spending under some control before its very magnitude drags us down," he said. "That is a policy which is socially responsible, and economically reasonable, and on this score we stand by it."

Throughout his speech, his first in the Commons as a member of the new Administration, Mr. Biffen emphasised the Government's determination to carry through the measures announced in the Budget.

Labour protested when he declared that the expenditure cuts in industrial assistance and employment programmes, outlined in the Budget, were only "very preliminary packages".

The debate on that would extend throughout the lifetime of this Parliament.

Defending the Chancellor's proposals, he said: "I don't deny for one moment that this is a severe package, but the severity is made necessary by the situation we inherited."

Corrective action had to be taken because public expenditure had been increasing very much faster than originally planned and the rate of growth of the economy was much lower than had been expected.

"It is not pleasant to be taking corrective action, but it is a deal sight better to take it now than to let the situation fester."

The Chief Secretary declined to predict what rate of inflation is likely. But he told the Opposition that in the months

and years ahead, they would have every opportunity to decide whether inflation under this Government would bear comparison with what happened under the Labour Government.

At that, jeering Labour MPs assured him that they would remember his words and hold him to it when the time came.

"The Budget is not reckless," Mr. Biffen declared. "Yet, it is bold, certainly in some senses it is stern. But I believe it is responsible."

No one could look at the Government's determination to control the Public-Sector Borrowing Requirement and say that it had taken the soft option. "Monetary policy will be a major determinant in the totality of the Government's economic policy," he emphasised.

The present Treasury bench, Mr. Biffen said, was determined to put forward a constructive alternative to Labour's policies. Treasury Ministers knew that high taxation and high Government spending might lead to a taxpayers' revolt similar to those in Denmark and North America.

"We know that a taxpayers' revolt could create political ferment and undermine the deliberate and planned allocation of public resources."

He outlined the propositions that underlay present Government policy.

Domestic and world conditions suggested only very modest prospects for economic growth. That would be a real restraining factor on this country and we should recognise the implications of it.

"It means that if growth cannot provide the resources for

lower taxation, then lower taxation has to come from reduced levels of public spending."

The burden of public spending had increased, was again increasing, and had to be diminished. There was a powerful inertia about public spending that pushed it inexorably upwards.

Broad agreement existed about the use of cash limits but there was no doubt that the limits announced by the present Government were going to be under some strain, Mr. Biffen said: "I believe that this policy of a general squeeze through the cash limits is sound and practicable."

Although the policy would not be easy to carry through, it had advantages. It was evenly spread between capital and current expenditure, and left the cuts to be decided by those

## Rhodesia legality assurance

SIR IAN GILMOUR, the Lord Privy Seal and Deputy Foreign Secretary, denied in the Commons yesterday a suggestion that the Government was adopting a process of "creeping recognition" towards Zimbabwe-Rhodesia.

He said the Government's objective was to build on the changes that had taken place in Rhodesia to achieve a return to legality with the widest possible international acceptance.

"The Government has therefore embarked on a process of consultation. A senior official is at present in Salisbury and Lord Harlech is currently in Africa consulting the Commonwealth and other African governments most closely concerned," said Sir Ian.

The former Foreign Secretary, Dr. David Owen called for an assurance that the Government had no intention of a "creeping" recognition of Bishop Muzorewa or waiting "justly" until the Commonwealth conference was over before recognising the new Rhodesian regime.

Dr. Owen also asked for confirmation that Lord Harlech would meet Mr. Nkomo and Mr. Mugabe, and that British diplomatic and other activity would be used to bring about negotiations between Bishop Muzorewa and the Patriotic Front leaders.

Sir Ian told him: "We are not proceeding in any way cynically. Nor are we proceeding by way of creeping recognition."

In the Government's aim of achieving the greatest possible recognition, it hoped there would be negotiations and anything else which would help towards a peaceful settlement.

Lord Harlech had authority to meet the leaders of the Patriotic Front but exactly whom he met would depend on who was available when he was in the relevant places.

The Government will not reconsider the decision to recognise the new regime in Iran, despite being "shocked" at the executions there, MPs were told yesterday.

The Foreign Office Minister of State, Mr. Douglas Hurd, said during Commons questions on foreign affairs: "The last Government extended the recognition to the new Iranian Government in mid-February. We are not proposing to reconsider this decision."

Mr. Hurd added that the Government had already expressed its shock over the executions. But it was not clear that Britain should be fully represented in Iran.

Mr. Jonathan Aitken (C Thanet E) called for normal diplomatic courtesies to be extended to the Shah "should he ever come to this country."

Mr. Hurd replied that although the deposed Shah had "many ties of friendship here" he had not expressed the desire to come to Britain. He reminded Mr. Aitken that the Shah had recently moved to Mexico.

The effectiveness of Britain's garrison in Hong Kong in stemming the flow of illegal Chinese immigrants will be discussed with the Hong Kong Governor, Lord Murray Maclehoise, in London this week.

The Foreign Office Minister of State, Mr. Peter Blaker, told the Commons yesterday that the garrison's strength was kept under constant review. Any changes would depend on the outcome of talks between Sir Murray and Ministers.

The Government yesterday rejected a payout to Tanzania for its part in overthrowing President Amin of Uganda.

Mrs. Judith Hart (Lab. Lanark) said the cost of defeating the Amin regime must have been between £12m.

She pleaded for extra help to be sent to the Tanzania. But Minister of State for Overseas Development, Neil Harzen said the Government was not allowed to use aid for that purpose.

## Labour sinks in depression

By Our Lobby Staff

LABOUR backbenchers' fury immediately after the Budget seemed to have turned into an attitude of depressed resignation by yesterday morning.

At a meeting of the Parliamentary Labour Party, speakers attacked the Budget as squalid, divisive and inflationary, but the atmosphere was, for the most part, subdued as MPs gloomily faced up to the realities of the Parliamentary situation.

The only bright spot some could see was the political capital which they felt must eventually come from the havoc such a Budget would create in the country.

In the short term, the inclination seemed to be to concentrate their opposition in a single vote on Monday night against the proposed rise in VAT.

After a discussion lasting less than an hour, Mr. Denis Healey wound up the meeting by accusing his successor as Chancellor of being dominated by Mrs. Thatcher.

The Budget was not the work of Sir Geoffrey Howe, he claimed, but of the Prime Minister herself. It was, he said, a "she-wolf Budget in sheep's clothing" which put greed before need and gave priority to the Tories' own supporters.

The Conservatives, he said, had done exactly what Labour had predicted they would do during the election campaign and which they had denied.

VAT had been practically doubled and prescription charges raised.

The whole burden of the Budget was on the lowest paid, he maintained.

Agreeing with previous speakers who had said that Labour must produce its own alternative policies for dealing with the economy in Opposition, he predicted that Sir Geoffrey would eventually have to reverse his policy.

Earlier, Labour backbenchers had predicted that there would be a pay explosion this winter. The tax cuts, they said, would cut no ice as far as wage demands were concerned.

## Revival of at-a-stroke economics

BY PHILIP RAWSTORNE

MR. PATRICK JENKIN, Social Services Secretary, blandly disclosed to the Commons yesterday that he expected the inflation rate to reach 17½ per cent by November.

Not surprisingly, the political fireworks began immediately. "A total outrage," totally insupportable," Mr. James Callaghan fumed across the Dispatch box.

Mr. Jenkin replied defensively that the Budget price increases would have a one-for-all effect on the cost of living.

"Five per cent at a stroke," Mr. Denis Healey snapped furiously, as he followed to

## Jenkin details social security plans

BY ERIC SHORT

THE GOVERNMENT expects that inflation will be running at 17½ per cent by November as a result of its Budget measures.

It is further anticipated that this will be about two points higher than the annual rate of earnings.

This was revealed yesterday when the new rates of social security benefits were announced by Mr. Patrick Jenkin, Secretary of State for Social Services.

Sickness and unemployment benefits are being increased, from November, to £18.50 a week for a single person and £29.95 a week for a married couple, compared with the present rates of £15.75 and £23.50 respectively—a rise of 17.5 per cent in each case.

Under the Social Security Act 1975, short term benefits have in the past been increased in line with prices only, whereby pensions and long term benefits move in line with earnings or prices, whichever is the greater.

This rise in the short term benefits of 17½ per cent, as Mr. Jenkin stated, reflects the anticipated rise in prices between November, 1978, when benefits were last increased, to November, 1979. It reflects the effects on prices of the increase in VAT and other Budgetary changes.

Mr. Jenkin also confirmed that

	Weekly rates	
	New	Old
Retirement and widows' pensions		
Single person	23.30	19.50
Married couple*	37.30	31.20
War widow's pension (private's widow)	30.20	25.30
Unemployment and sickness		
Single person	18.50	15.75
Married couple	29.95	25.50
Widow's allowance†	32.60	27.30
Maternity allowance	18.50	15.75

\* 25p is added if aged 80 or over  
† Payable for first 26 weeks of widowhood

open the second day of the Budget debate.

The Tory Government had displayed an obstinate refusal to learn any lessons from the past, Mr. Healey declared. Its Budget showed a blind indifference to the social, political, and economic consequences for the nation.

Mr. Healey, writhing angrily through the rising prices, predicted explosive pay negotiations this winter.

"It is a recipe for a winter of discontent that will dwarf in its disastrous effects on the economy and society anything we have seen in the past," he cried.

The only incentive that the former Chancellor could see in the Budget was its encouragement to union negotiators to demand the biggest pay increases they could get.

Mr. David Crouch, Tory MP for Canterbury, protested that Mr. Healey himself was now providing even more encouragement to union militants.

"The Government cannot expect wage restraint, if it shows no restraint whatever itself," Mr. Healey retorted.

The Budget had been less an exercise in economic strategy than in political prejudice, he said. Mrs. Thatcher was fulfilling her

## European 'abdication' denounced

BY ELMOR GOODMAN, Lobby Staff

LORD THOMSON, chairman of the European Movement and one-time Minister for European Affairs in the Labour Government, yesterday lashed out at his former Labour colleagues over their attitude to Europe.

He accused them of sacrificing the long-term principles of European membership to the short-term objectives of party unity.

Delivering the annual lecture of the Association of Special Libraries and Information Bureaux, he criticised Labour's handling of the European issue both during the recent European election campaign and during its five years in Government.

Lord Thomson, who after leaving Westminster became an EEC Commissioner, claimed that "patching up party unity" had been maintained at the expense of the "historic issues associated with British membership of the European Community" during the recent campaign.

He accused the Labour Government of having abdicated Britain's "traditional place at the top table alongside France and Germany" merely to avoid rocking the party boat.

The pro-Europe majority in the last Cabinet, he maintained, had refrained from promoting a positive climate of opinion about the Community for fear of provoking the minority of anti-Marketters.

In contrast, the anti-Marketters, who dominated the party's national executive had shown an "unusually restrained" attitude.

"They were left with a free field to snipe and snarl," he asserted.

For the last five years, the Labour Government had given no priorities to emphasising the importance of making a success of British membership of the Community's role in world affairs.

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## Feedstock projects pledge

BY JOHN LLOYD

STRONG and continued Government support for projects to produce oil and chemical feedstocks from coal was pledged yesterday by Mr. John Moore, a junior Energy Minister.

Speaking on his first visit to the National Coal Board's research establishment at Sike Orchard, near Cheltenham, Mr. Moore said that the UK will be world leader in the conversion of coal into oil and gas.

"This work could provide the coal industry and the process engineering industry with substantial markets in later years."

Two experimental projects to liquify oil from coal are currently being undertaken at Stoke Orchard at a cost of around £15m each.

The cost is being borne by the Government and the NCB so it is likely to attract more than £3m of aid from the European Commission.

A demonstration plant, which may cost around £100m, will come on stream in the late 1980s while a commercial plant producing as much as 10,000 tonnes of oil a day is forecast for the 1990s at a cost of around £1bn.

Mr. Moore said that he had been concerned on first coming into office to discover if the process could be speeded up. However, he had been fully satisfied that it could not.

"Using coal to make petrol and raw materials for the chemical industry is by no means the wishful thinking of scientific backroom boys."

It has been a technological reality for some time: it could become an economic reality in the future."

## Boundary changes threaten Labour strength

BY ELMOR GOODMAN

PROPOSALS which could result in a net loss of at least two seats for Labour in London, together with the strengthening of the Conservative representation in the shires, were published yesterday by the Boundary Commission for England as part of its review of constituency boundaries.

If implemented, the changes could result in the disappearance of a number of traditionally safe Labour seats in places like Lambeth and Hackney, while solid Conservative seats in rural areas, like

## Boundary changes threaten Labour strength

at the latest, recommended that Greater London's existing 92 constituencies should be cut by eight to take account of the fall in population since the start of the last general review in 1975.

Changes of varying degrees were also recommended in the boundaries of most of the remaining constituencies. For this reason, it is difficult to be precise at this stage about which party would benefit most from the proposed changes.

The figures suggest that on the basis of last month's general election result, Labour would lose at least five seats in London and the Tories three. Whether the new boundaries will be implemented in time for the next election is doubtful.

The Commission, which has so far published proposals covering rather less than half of England, also produced recommendations yesterday affecting the largely Conservative areas of Cheshire, Hertfordshire and Shropshire. It provisionally recommended that these counties should be given a total of 24 seats. At present there are

## Boundary changes threaten Labour strength

nine in Hertfordshire, four in Shropshire and seven in Cheshire itself, with parts of six others also crossing the county's boundaries.

Again, the Commission has recommended some changes in the boundaries of all the constituencies affected. In some instances, it recommends the creation of completely new constituencies.

Conjleton, for instance, would take in parts of Knutsford, Macclesfield and the Labour seat of Crewe.

In others, it merely suggests

## Boundary changes threaten Labour strength

minor alterations to the existing boundaries though in some cases, this might transform what was once considered a marginal seat into a safe one and vice versa.

Interested parties have one month in which to make representations to the Commission. As yet, the party headquarters say it is too early to predict what effect the changes would have on Parliamentary representation but in those areas where existing boundaries were significantly altered, MPs would probably have to go through the full selection procedure.

Handwritten signature or mark at the bottom of the page.

THE MARKETING SCENE

EDITED BY MICHAEL THOMPSON-NOEL

Failure to define advertising objectives generates corporate delusion and costly mistakes.  
Report by Michael Thompson-Noel

Advertising and the Frankenstein factor

THE PHONEY WAR is over. That Britain's marketers have had a day and a bit to sort the broader implications of Tuesday's direction-setting budget, marketing departments throughout the land can rest themselves in earnest to business at hand: selling duct. The past six months have approximated a dress rehearsal of Waiting for Godot. At first there were the winter sales. Then there was the promotion. Then there was the fleet. But the decks have been cleared, and marketing departments ought to know approximately where they're going, although one can't be



Two prize-winning ads. But in other cases, advertising objectives appear to be set without the least resort to rational thought

consider the specific case of advertising. In Britain this year, advertising expenditure total at least £2bn. For many companies, advertising expenditure represents only 2 per cent of gross turnover. But for many of them it is also equivalent to upwards of 5 per cent of pre-tax profit. According to Harry Henry of Cranfield School of Management, figures like those might lead you to suppose that most marketing departments possess an ear-cut idea of what their advertising is supposed to do. The contrary, Cranfield's term research in this area is that the way in which advertising objectives are determined is sometimes so lacking in clarity of thought as to resemble corporate snakes and ladders.

Professor Henry's views on the subject are set out in the 1 of a series of Cranfield sheets, just published: "To Set the Right Advertising Objectives." "The fact that a considerable proportion of advertisers are still wasting a deal of money doing the wrong things is simply a consequence of the fact that they have not yet learnt to look at matter rationally and systematically," he says. "And root of the problem lies in failure to define advertising objectives, for it is indisputable if you do not know what you are really trying to do there is no way in which you can judge how well you are doing it."

Says Cranfield with discomfiture three main ways in which advertisers habitually mislead themselves in this field: 1— Sip gently between the Chateaubriand and the Chateau Lafite.

they confuse advertising objectives with marketing objectives; 2—they set advertising objectives that do not make an optimum contribution to marketing objectives; 3—they allow advertising objectives to assume an independent existence, "like so many Frankenstein monsters." All three arise, he says, because of failure to understand the specific role played by advertising within the total marketing mix.

"Except in the case of direct response, advertising does not have a direct effect on customer behaviour. It reinforces or changes perceptions and attitudes concerning the goods and services being advertised. . . . It is therefore very rarely that an exact and clear-cut relationship can be identified between advertising activity and marketing performance."

Business goals sometimes put forward as advertising objectives can involve raising market share, or containing the share of competitors; maintaining or improving distribution and brand penetration; expanding the market; achieving the sales budget; winning lost customers or gaining new ones; increasing the frequency of a brand's use; or reducing its seasonality; defending it against own-label rivals; and so on. But these are marketing objectives.

Advertising can make a contribution towards attaining these objectives, says Henry.

but it does so intermediately. It is partly for this reason that many advertisers seek sanctuary in lop-sided thinking. "When sales results are good, there is a tendency for management euphoria to spill over into the judgment of the advertising: when they are unsatisfactory, advertising provides a handy whipping-boy."

But sales figures do not explain how or to what degree advertising may have contributed to the overall result; how far this approaches the optimum; whether the same effect could have been obtained with less expenditure, or a better effect with more; whether a different campaign would have produced more satisfactory results; whether concentration on a different sector of the target market would have been more effective, and so on.

What, then, are the legitimate objectives of advertising? Prof. Henry says that an initial list of no fewer than 70 can be fined down to six:

- To create or maintain awareness of a product or service.
- To convey specific information of an essentially factual or educational nature.
- To convey messages of a less objective, more persuasive, kind.
- To create, maintain or improve the image of the product, and/or the company.
- To stimulate a desire to try the product.
- To raise or reinforce a feeling of product loyalty.

However cunning the copy platform, sensational the creative treatment, skilfully designed and timed the media schedules, these six in the end are the only ways in which advertising operates to affect consumer behaviour.

may be either an increase or the prevention of a decrease, but the situation can also be looked at from the other end: "What adverse effect on my level of sales (or market penetration, or brand loyalty, or whatever) do I estimate will result from a reduction in the level at which I meet a particular advertising objective?"

Precise figures are only very rarely available. But according to Prof. Henry: "Even if the questions cannot be very precisely answered, the mere act of asking them imposes a self-discipline which can prove extremely valuable in focusing attention on the key issues, and in exposing the lack of substance in some of the more popular platitudes which are the common language of the agency-client dialogue."

By far the most common of the advertising objectives reported in justification of expenditure by advertisers, he says, is an increase in the awareness of a product or service—but it is not necessarily the most important objective and may not be appropriate at all in particular circumstances.

Equally, to set as an advertising objective the creation of a favourable attitude among the target population is far too imprecise. The assumption is often made that favourable attitudes are directly responsible for favourable purchasing behaviour. In reality, the assumption is in most cases unproven and in many instances false.

"One of our most revealing case histories concerns a campaign with the marketing objective of bringing new consumers into the market by creating a more favourable attitude among present non-users, the outcome of that campaign being both an overall improvement in attitude and an increase in consumption. But more detailed analysis showed that the improvement in attitude had been entirely among present users, whose consumption had nevertheless not increased; among non-users the attitude had not changed, but consumption had increased. The campaign had

thus not achieved its specified advertising objective; instead, it had accidentally served some other objective, with fortunate results."

According to Prof. Henry, it is an inconvenient paradox that it is precisely those advertisers who are most concerned to use research findings to shape their advertising objectives, and to assess the extent to which they are met, who run the greatest risk of taking a wrong turning. This is because the research techniques used are liable to take on an existence of their own, and become objectives in their own right. In all business activity, he says, there is a tendency to measure what is most easily measurable, rather than what is most important to measure, and this is particularly true in the case of advertising.

Above all, he warns against forms of measurement that concentrate on consumer reaction to the advertising as such. "Even recall of the advertising is a dubious measure of its effect, and still less relevant are the answers given when consumers are asked whether they 'like' the advertising, whether they found it 'believable,' and other such questions. When apparently satisfactory answers emerge from such enquiries, scepticism on the part of the advertiser is regarded as ungracious."

Methods for evaluating the results of advertising, and using them to plan for the future, are not as well-disciplined as they can and should be, says Prof. Henry. But experience shows that when proper objectives are set, they help focus marketing activities in a way that considerably enhances the cost-effectiveness of the advertising effort.

At the £2bn level, there's a lot at stake.

Ford parts with FGA

FORD OF BRITAIN and the FGA/Kenyon and Eckhardt agency are parting company, which means that £500,000 worth of Ford billings, covering Ford's medium and heavy commercial vehicle accounts, is on the loose, writes Michael Thompson-Noel.

In the U.S. earlier this year, Kenyon and Eckhardt resigned all its Ford business, including the Lincoln-Mercury assignment. In order to swallow up approximately \$120m worth of Chrysler Corp. billings in what amounted to the largest advertising account switch ever seen.

In Britain, Ogilvy Benson and Mather handles £2m worth of billings on Ford cars and light vans. Ford will discuss future plans for its medium and heavy truck business with a number of agencies over the next few months.

The commercial vehicle market is booming, says Ford, though recent sales may have been artificially boosted by inflationary expectations.

where the Ford share is 32 per cent, sales could top 116,000. In the heavy truck division, where Ford has 17 per cent, unit sales may reach 73,000.

Eventual Ford winners in the U.S. were Young and Rubicam, which won \$63m worth of Lincoln-Mercury and Ford parts and service billings, and Wells, Rich, Greene, which picked up \$30m worth of Ford business. The main loser was Ogilvy and Mather, which ironically resigned \$12m worth of Mercedes-Benz business in order to compete for the Lincoln-Mercury account.

Offers that can't be refused

BY STEPHAN BUCK

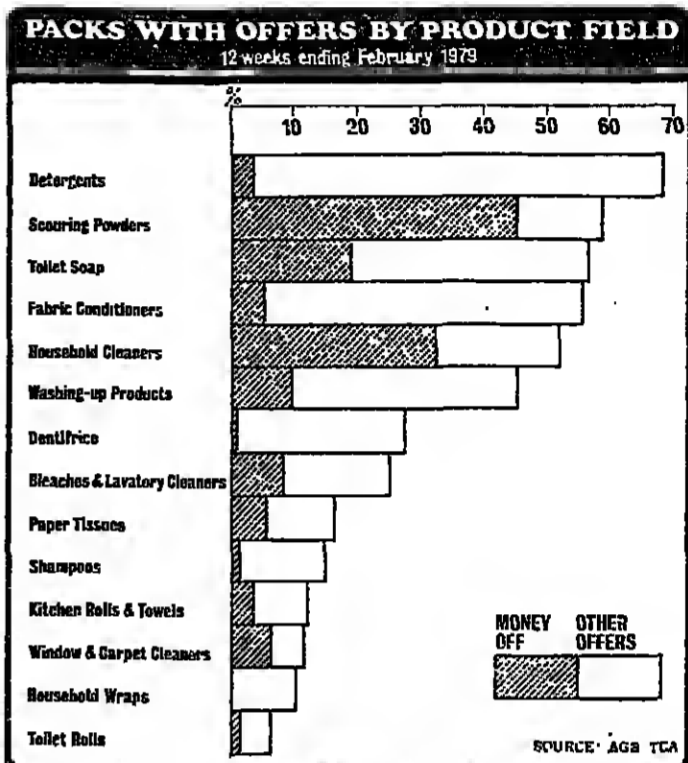
EVERYONE in marketing knows that computers are central to the task of storing, processing and analysing marketing information. By now almost everyone in marketing can produce a catalogue of computer horror stories and frustrations proving that the honeymoon euphoria of the early computer days has been replaced by a more practical and cautious approach.

But even the most doubtful may be converted by the newest generation of computers and analysis systems. These data base management systems provide non-computer specialists with rapid access to complex data through the use of simple English language programming.

For instance, basic information on on-pack offers is collected every week from 6,000 households comprising the TCA panel, but in the past it has been time consuming and expensive to analyse this information.

In the past year at AGB the process has become far simpler because of the introduction of a new computer system called Datasoft. As an example of what can now very quickly be made available, I have selected work we did on the broad product sectors of household cleaners and toiletries.

Information for five 12-week periods was computed covering 1978 and the start of 1979 in order to provide some seasonal patterns and to some extent a year-on-year comparison. Detailed results are shown in the chart for the 12 weeks ending February, 1979, and they provide for each product field the proportion of products sold with some kind of offer, highlighting in particular those on-pack promotions involving "money off."



period are concerned, they range from about 70 per cent of packs for detergents down to less than 10 per cent for toilet rolls. With one or two minor exceptions the household cleaner items tend to have a high incidence of offer packs compared to the more functional and personal items. The rank order for packs sold with "money off" is by no means the same as that for total offers, so clearly different selling strategies are used in different product fields.

However, the period was one covered by disruption due to strikes, and many products were facing supply difficulties. It is therefore interesting to compare these results with the similar period a year earlier.

As far as all offers were concerned there was remarkably little difference in the incidence of on-pack offers, and the rank order for the three months ending February, 1978, is the same as in the chart for 1979. Dramatic downward shifts have occurred, however, as far as "money off" pack promotions are concerned.

More insight into on-pack promotional policy can be obtained by examining results for individual brands and sizes and for longer time periods. This is easy with modern computer analysis systems, and it could well be that some of the harsh views on the value of computers in marketing should now be revised.

Stephan Buck is Director of Group Development at AGB Research.

Saatchi's one-for-two

THE SAATCHI and Saatchi Company, whose financial performance over recent time has set the pace among advertising agencies, reports a 30 per cent improvement in pre-tax profits at the halfway stage, plus a one-

for-two bonus—a sort of post-Budget celebration of the election success of its most famous client, the Conservative Party.

Turnover for the period to March 31 rose by 38 per cent to £31.5m for a pre-tax profit of £1.1m. The operating margin of 3.3 per cent was an improvement on the previous half-year, marking the seventh successive half-year period in which Saatchi has increased its operating margin.

New assignments in the first half came from Nestlé, Campbell's Soups, Smith and Nephew, Procter and Gamble, the Law Society, British Rail and the Wallpaper Marketing Board.

As recently reported, Saatchi has bought the Dublin agency O'Kennedy-Brindley, one of Ireland's top three agencies, following the acquisition last year of Hall's, Scotland's largest agency.

COAL & ALLIED INDUSTRIES LIMITED  
A\$60,000,000

Project Development Facilities Provided by

- Australian Resources Development Bank Limited
- Australian Industry Development Corporation
- Bank of New South Wales
- State Superannuation Board of New South Wales

The above facilities include provision of a A\$30,000,000 term loan by Australian Resources Development Bank Limited in which the credit risk is shared with

- Australia and New Zealand Banking Group Limited
- Bank of New South Wales
- The Bank of Adelaide
- The Commercial Bank of Australia Limited
- The Commercial Banking Company of Sydney Limited
- Rural Bank of New South Wales
- Commonwealth Trading Bank of Australia
- The National Bank of Australasia Limited

Financial Advisers  
Capel Court Corporation Limited

"Warrington is ideal as far as we're concerned in the transport industry"

says Bob Stafford, Securico

To get things moving, contact Warrington!

WARRINGTON  
The logical choice for better distribution

LOMBARD

Council housing and equality

BY PETER RIDDELL

THE DEBATE about the sale of council houses to existing tenants has so far tended to ignore the implications for the distribution of wealth...

Subsidies

These transfers are likely to increase significantly over the next decade as the generation who became owner occupiers just after the war dies...

More subtle

A popular view is that the rise in prices has merely created paper gains. It is argued that even if you sold an existing house at a profit, most, if not all, of the money has to be reinvested in a new home...

Distortions

It is by no means clear how many council tenants would want to buy a share in their houses but given certain safeguards—not least for those on waiting lists—they should be offered the opportunity...

THE EUROPEAN Commission's greed for pieces of paper, to which it attaches the same importance as to the events recorded in them, provides ammunition for those who oppose the Community and is a constant source of embarrassment to its friends...

Great worriers

So far so good. The deterrent worked and the officials of the Agricultural Directorate should have been able to sleep soundly in the knowledge that the flows of trade corresponded almost exactly to the routes determined by the issue of licences...

in proving it—more severely than another who met his obligation to the extent of 6 per cent only but returned the Customs' certificate in time...

BUSINESS AND THE COURTS

BY A. H. HERMANN, Legal Correspondent

maintaining prices by means of quotas, levies, bonuses and intervention buying on stockpiles, later given away or sold cheaply. It hates nothing more than when member governments try to do the same...

Commission with tomato on its face

THE COMMISSION jealously guards its right to regulate certain agricultural markets—

Unlawful levy

It is impossible to report within the space available how Mr. J. P. Warner, the Advocate General, dealt with all these questions in his Opinion. But he found that the Irish Government's failure to notify the Commission of its intention to increase its aid amounted to a breach of Article 177 of the Treaty...

Troy in big demand

BOOKMAKERS HAVE been quick to fill the vacuum in the post-holiday betting following Epsom's two classics, and several of the major firms are now attracting business on the Arc de Triomphe and the King George VI and Queen Elizabeth Diamond Stakes in addition...

RACING

BY DOMINIC WIGAN

Hills, who offer 3-1 against both Troy and Ile de Bourbon and 5-1 against French Derby winner Topville...

ENTERTAINMENT GUIDE

Opera & Ballet, Theatres, Savoy Theatre, Victoria Palace, etc. Listings for various theatrical productions and performances.

Radio Wavelengths, Radio 1, Radio 2, Radio 3, Radio 4. Program schedules for various radio stations.

BBC 1, BBC 2. Television program listings for BBC channels.

F.T. CROSSWORD PUZZLE No. 3,995. A crossword puzzle grid with clues.

SOLUTION TO PUZZLE No. 3,994. The answers to the crossword puzzle from the previous page.

## **EXPORTING COMPETITIVELY.**

# Why talk to us when most banks seem to offer the same export service?

### **Because we believe you will find:**

1. Our fee structures are highly competitive and often more flexible.
2. Our comprehensive services cover all aspects of exporting including the largest projects.
3. Our front-end financing is often more imaginative.
4. We have considerable experience, over 20 years, of working with E.C.G.D.
5. Our commercial loan documentation is often simpler and more concise.
6. Our decisions are fast.

## **We deliver.**



Map by George Philip and Son Ltd. © 1978.

## **Test us.**

**Midland Bank International**

Midland Bank Limited, International Division, 60 Gracechurch Street, London EC3P 3BN. Tel: 01-606 9944. Telex: 88840L.



**And remember—we deliver a range of international services no other bank can offer.**

# Technical Page

EDITED BY ARTHUR BENNETT AND TED SCHOFERS

## COMMUNICATION

### Sends on the message

NEW FROM Philips Telecommunications Industries is a message switching system that brings the company additionally into the smaller end of the market.

Called DSX-40, this microprocessor-based equipment can handle up to 40 lines, providing store and forward transmission of messages via the public telex network or leased telegraph circuits with interfacing to the PABX for transmission of text or other data at up to 9600 bits/sec.

Market objective is those organisations that are upgrading their existing data communications systems from traditional telex room operations.

Facilities of DSX-40 include completely automatic routing of traffic, code and speed conversion, mnemonic addressing, and multi-address, group and priority routing. It also offers formatting and editing assistance, logging, statistics and accounting, from a VDU operator position. A modular approach allows as few as two or three external lines to be connected in the first instance.

More from P.O. Box 32, 1200 JD, Hilversum, The Netherlands.

## SECURITY

### Detects any movement

SECURITY TELEVISION equipment from Reliance Systems, Turbells Mill Lane, Wellingborough, Northants (0983 225000) is able to detect the presence of an intruder by the movements he makes and also speak to him over a loudspeaker system.

By training each camera on a fixed area and electronically comparing each picture frame with the last, the equipment

can detect movement and then switch the relevant camera on to the security officer's monitor. Cameras can be manually controlled by a joystick operation from the security base to follow an intruder's movements. With linked microphone and loudspeakers, security staff can address the intruder and hear his reply, if any, from safety. A video tape machine can record all the events if required.

## COMPUTERS

### Need for large systems will continue

IN A discussion at the National Computer Conference just held in New York more data became available on the large-scale computer systems studies which have been done by CDC and Burroughs, and which are all part of the build up to the creation of a very large and powerful system to be funded by the U.S. Government.

It also became apparent that ICL's 1977 decision was right, though it was not allowed to bid for the contract when the U.S. system is eventually built it will have a high degree of parallel processing. ICL's array processor will look as if it was the right place to start.

The Burroughs and CDC studies are for equipment on which to do numerical aerodynamic simulation. The requirement is for a unit which can increase throughput over the CDC 7600 by eighty times.

A recently completed survey, to be published within a couple of months indicates that far from the micro gobbling up everything in sight, it is having a reverse effect at the "big end." The would-be large user base is growing, for people can see that the micro makes possible new architectures, and these can handle problems which were until recently thought of as being unsolvable.

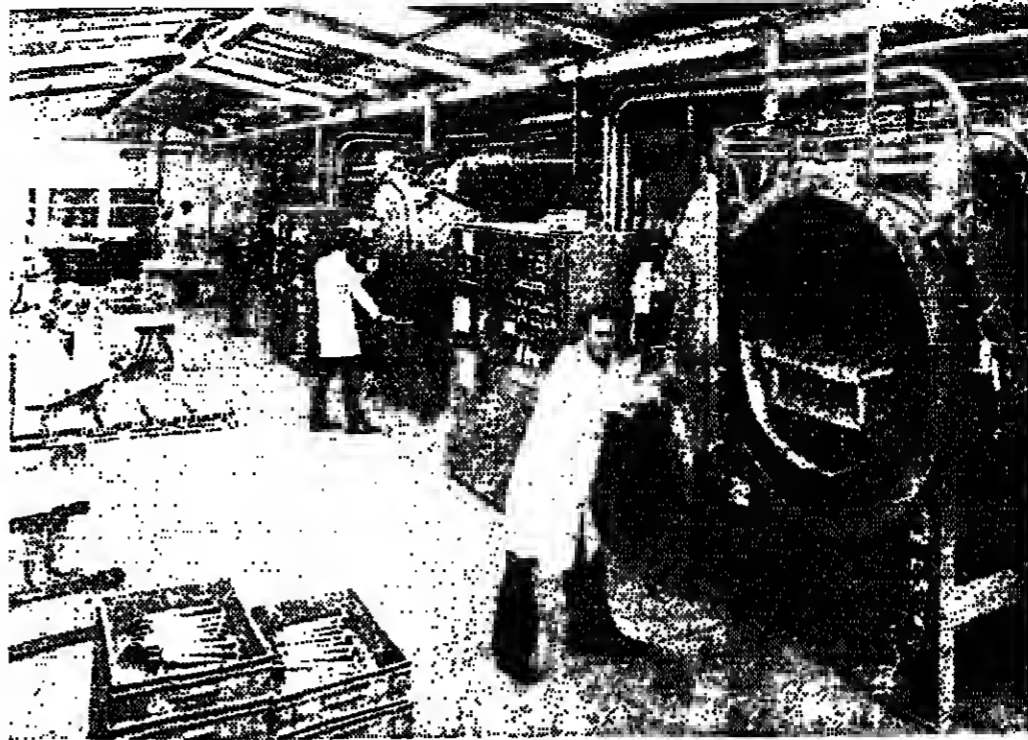
A questionnaire has brought out potential uses for huge machines in software development, nuclear engineering, plasma physics, the study of structures, quantum chemistry, computational fluid dynamics,

and meteorology. The question is, however, whether the technology is advancing as fast as requirements are increasing. The consensus both in public and private is that while advances in VLSI manufacture and technique are well publicised, and while builders have some glimpsings of the possibilities within array architecture, advances are not matched by genuine advances in the architecture following detailed studies which could lead to practical machine design.

Increases are required in local memory that is, memory within the system. There are already problems which require a memory increase of five to six times that achieved on any system in use today. And these arise in many areas.

One problem in chemistry, which would have an economic pay off could require 100,000 hours of computer time on the most powerful system in use today.

A speaker from Los Alamos pointed out that in fusion power plasma simulation there was doubt that there could ever be a system large and powerful enough. In theory the problem should be susceptible to a computational solution, in practice no technology can currently be foreseen on which attempts might be made to find such solutions. Yet achieving useful fusion power, might depend ultimately on application of powerful computational equipment.



Torvac has completed the first stage of a big expansion programme of its sub-contract processing operation in Skelmersdale, Lancs. The expansion, which, when completed, will represent an investment of over £300,000, involves installation of three new vacuum furnaces and an additional electron-beam welder, construction of new offices and storage facilities and engagement of extra staff.

As a result of the additional investment, turnover at Skelmersdale is expected to exceed £1m during 1979, with a substantial amount of the new business coming from

high-technology industries such as aerospace and nuclear engineering.

The company now has the capability to process many types of jobs, with five vacuum furnaces ranging from the modular Torvac 36MU front-loading unit up to the large-volume pressurised gas cooled Abar units. The additional vacuum furnace and electron beam welding capacity at Skelmersdale, coupled with increased facilities at Torvac's other processing plants at Coventry and Waterbeach, near Cambridge, make the Torvac group one of the largest subcontract organisations of its type in Europe.

**Hydrovane**  
Air Compressors

Telephone: Redditch 25522

## CONSTRUCTION

### Hollow units designed to save heat

IN AN energy-conserving design of building evolved in Finland, which looks something like hollow "Lego," the facade facing south is constructed in such a way that almost its entire surface absorbs solar energy.

The windows are made as large as possible, and the surface of the vertical channels between the windows is designed so that it absorbs sunlight effectively.

The heated air thus obtained is conducted into the hollow structure whose channels are heat-insulated. Solar energy is absorbed by the roof structure of the building.

Energy is obtained in the solar facade installation elements without expensive auxiliary equipment and the entire installation with its element channels and air heating, water and air conditioning, electrical, and other equipment is factory made on an assembly line, which is a most-effective way of reducing production costs.

Part of the air is blown storey by storey into the room spaces, part of it is conducted through the glazing gap directly to the return channel, and part circulates through the lower section of the element. The air passing through the glazing gap carries off the heat energy absorbed in the windows accumulator strips through the internal channels to the central pumping apparatus on the roof.

Stale air is extracted from the rooms through one of the window exhausts.

One effect of the arrangement is that cold draught close to the windows is eliminated. The useful space of any room thus increases. The outer wall and its window are kept warm.

The relative humidity increases and a feeling of an "ideal dwelling temperature" is reached at a temperature which is 2 degrees C lower than in conventional room spaces, the developers say. This alone results in a saving of about 10 per cent in energy consumption.

Because of modular design, initial costs of a building are reduced. Prefabrication level of the structural elements is very high and the number of different elements small.

No hot water circulation is needed and no separate, complicated and expensive air-conditioning channel system.

Electrical, telephone and other wiring are for the most part included in the installation elements.

Compared to a conventional water-heated and traditionally air-conditioned office building (in Finland), estimated savings run to about 80 per cent, in terms of energy demand.

More details from Pekka Lilja, Sillitie 5B10, 00800 Helsinki 80, Finland.

## MATERIALS

### Improves greenhouse yields

RESULTS OBTAINED from several large greenhouses built of Qualex polycarbonate structured sheet show that use of that material could result in substantial savings.

It has excellent light-transmission and thermal insulation qualities. The 6mm thick sheet incorporates air spaces of more than 5mm. Compared with 3mm glass, it transmits at least as much of the solar radiation that plants need and only about 50 per cent of the heat. Significantly, neither light transmission nor physical characteristics of the material change due to ageing or exposure to radiation, including ultraviolet.

A British study has analysed Qualex's light transmission properties at different wavelengths. The tests found that it is virtually opaque to damaging short wavelengths and also has desirable selectivity in the infra-red range: while Qualex transmits the desired wavelength very well, it is nearly opaque to "back body" radiation at the wavelengths at which heat is radiated away from the plants during the night.

The result is that the material optimises utilisation of free solar energy, while sharply reducing the need for supplementary heating. Add to that its light weight—it requires little structural support and ribbing—and its very high impact resistance, and the economic advantage is obvious. The British study indicates the additional original cost—Qualex is more expensive than glass—at about 12.5 per cent. However, the initial cost is amortized by fuel savings and a long and maintenance-free life.

Q Company, POB 20060, Tel Aviv, Israel.

## STORAGE

### Measures amounts of liquid

PUMA, which stands for pulsed ultrasonic measuring apparatus, is a continuous liquid measuring unit with ability to expand to suit multi-tank operations in applications such as breweries, petrochemical refineries and tank farms of all types.

Use of very high accuracy transducers fitted in the base of the tanks to be monitored allows readings to be made to an accuracy of one centimetre in 30 metres. A single set of electronic equipment constructed of microprocessor and back-up packages, allows the liquid height in up to 16 different tanks to be monitored continuously.

Signals from the tanks are scanned using a time division multiplexing technique before being passed to the microprocessor for processing and display. Both remote and local display facilities are available so that readings from a large number of vessels can be handled at a central control point.

A programmable alarm system is included and the operator can test the state of any tank at any time by pushing a button. The system can also be linked to visual display units and data printers.

William McGeoch and Co. (Birmingham), 124 Electric Avenue, Witton, Birmingham B6 7DZ.

## Checks the level and flow

A NUMBER of level and flow checks can be made with an ultrasonic level switch now available in the UK from Westech Instrumentation Systems (Int'l).

This piezo-electric ceramic emitter-detector can, for example, be fixed to the wall of a tank and linked to a control unit by triaxial cable. It will then produce a signal change as soon as the level in the tank drops below that of the probe because in a gaseous atmosphere the signals will be absorbed rather than reflected from the opposite wall as in the liquid. Alternatively, interfaces between different liquids will give a detectable signal change.

It is also possible to use the unit from the bottom of the tank, bouncing the pulses off the surface.

The probe can also be fixed externally to a pipeline to detect liquid vapour interfaces or the passage of scrapers and pigs.

No holes are required in walls since the 1 MHz pulses are propagated through the metal.

For more specific information, please write to: The Manager, Company Cards, American Express, Freepost, P.O. Box 91, Brighton BN2 1ZQ.

Michael Place, Managing Director, Grattan Warehouses.

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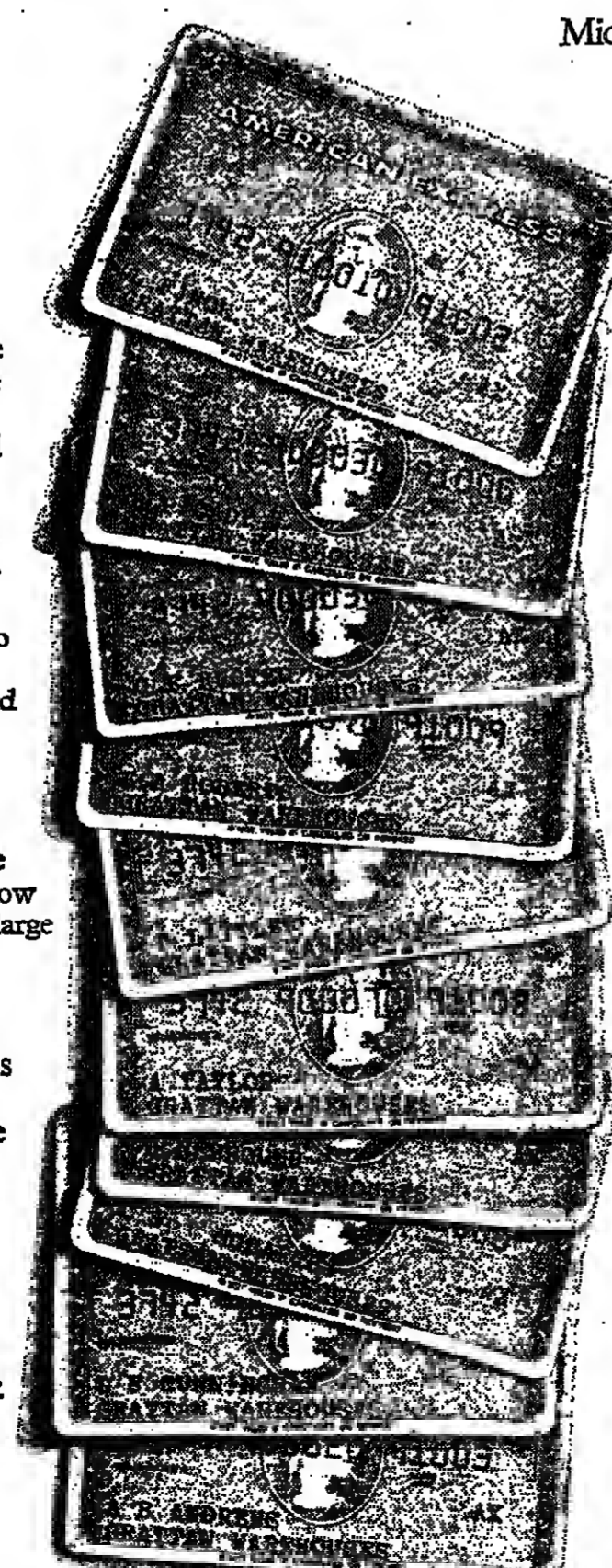
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امارات

THE ARTS

Record Review

Turning on the heat

by KEVIN HENRIQUES

Hotter Than Hades, The Midnite Follies Orchestra. Odeon ODN 1001

The Radio Leicester Big Band, Miller Records 0107 SL

Havin' Fun Digby Fairweather, Black Lion BLP 12175

All of Me, Freddie Kohlman, Camelia TFF1

Me, Myself An Eye, Charles Mingus, Atlantic Records KS0571

Since its stunning debut at the 100 Club in London 18 months ago the Midnite Follies Orchestra has garnered a large and loyal following. This 13-piece has a diverse repertoire encompassing among others, the music of Duke Ellington, Cab Callaway, Jimmy Lunceford and Fletcher Henderson as well as originals by its co-leaders Keith Nicols and Alan Cohen. In fact the title track of the band's first LP is by pianist Nicols. A well-constructed piece, it cleverly evokes, but does not copy, the big band writing of the 1930s and also along the way enables Nicols to display some nifty stride piano.

Like the Midnite Follies itself his composition is not merely imitative. Nicols, along with Alan Cohen, is also responsible for the arrangements which are never ugly distortions of the originals. The soloists are free to improvise in their own style and are not required to faithfully reproduce the old solos. Thus this is no sad ghost band: it is entirely valid in its own right.

Its best soloists—Alan Elsdon, Digby Fairweather and Johnny Barnes especially—are in cracking form on the 14 tracks which include "Stormy Weather," "Double Check Stomp" and "Jazznocthray." They are positively aided by the rhythm section which is more relaxed and comfortable than 18 months ago.

Despite the eminently dispensable crooning on six tracks of Johnny M who, admittedly, is either heard rather than seen or heard, this studio-recorded

album faithfully reproduces the zestful style and crisp attack of the MFO on its live dates. Justifiably so, on the evidence of its varied first recording which is a blend of standards and originals. On most tracks over 20 musicians are used, including a french horn section. Thus there is a solid-sounding bottom to several items, not least the Stan Kenton evergreen "Painted Rhythm" where the trumpets can be compared favourably with past Kenton sections and on which pianist David Hargreaves is certainly a looser performer than Stan the Man.

Occasionally the band's size prevents tunes swinging along effortlessly, but this is a small failing in a unit which clearly exists to play a varied selection of music (two Radio Leicester programme signature tunes are included here) for a wide public without making artistic concessions.

Not all the tracks feature the full band, and among the most successful small group items are "Xth Commandment," a Chuck Mangione piece, where flugel-hornist Liz Lloyd recaptures Mangione's own sound, and "Crosstalk," a duet between bassist Roger Eames and flugel-hornist Terry Willis, who skillfully exchange phrases in a musical conversation. Other notable contributions come elsewhere from David Collinson on vibes and Barry Harvey on tenor-sax.

As mentioned earlier, one of the featured instrumentalists on the Hotter Than Hades release is Digby Fairweather (now, alas, no longer with the MFO) whose first solo album is one of the most enjoyable to come from a British musician in a long, long time. Side one comprises six tracks with his three

colleagues from the smooth-playing group Velvet. Heavily reminiscent of the short-lived but unforgettable Ruby Braff/George Barnes quartet of 1972-1975 this two-guitar, bass, trumpet format plays polished, elegant, sophisticated but never predictable or cloying jazz.

Fairweather is an agile, bustling trumpeter, always exploring, ever restless, never content to coast along and repeat easy clichés (though one notices a particular growling effect he has taken a fancy to). His playing also contains that admirable gift of humour. His exchanges with guitarist Denny Wright, especially in "It Don't Mean a Thing," are fiery but it is the interplay and rapport between the four musicians which makes Velvet one of the really unusual quartets in Britain today.

On Side Two Fairweather joins pianist Fred Hunt, one of this country's foremost swing pianists, in five duets on which both have space to stretch out. Here are two musicians with wide-open ears playing for each other, not for themselves. Fred Hunt, as well as being a perfect accompanist, is a fine soloist in his own right, straight from the Hines-Waller-Wilson school of melodic playing. He is also the composer of the engaging title track.

Simpler, less sophisticated jazz is heard on All of Me, an album featuring New Orleans drummer Freddie Kohlman with three British musicians who normally form the bulk of the Inter Cities Jazz Band.

Kohlman is one of New Orleans' ubiquitous characters. He plays drums in marching bands in the city, leads his own group in a Bourbon Street bar and finds time to perform in Europe. It was during a short stay in Britain that this LP was recorded at the Pizza Express, Dean Street, in 1977 and it will appeal mainly to keen devotees of New Orleans music.

Though Kohlman's drumming style may be a revelation in the

trad jazz world his frequent heavy snare drum rolls and bass drum accents are hardly revolutionary in other jazz styles. He and the Britishers unspunkily perform some familiar tunes (e.g., "Basin Street Blues," "Panama," "Indiana," etc.) without ever really getting the listener excited.

Despite the several merits of the preceding albums (all recorded in this country with British musicians) there is no doubt which is the most important record to be released in recent months. *Me, Myself An Eye* is an album of music composed by Charles Mingus who died in January this year and in truth really merits a full-length review to itself.

Centrepiece is "Three Worlds of Drums," a typically emotional Mingus work which contains almost all those characteristics associated with this volcanic personality—and more besides: wild dissonances which never become abrasive; rough emotion; deep textures in the writing which is for a large band of 25; exhilaration; exciting climaxes; the building and diminishing of tension; above all the overwhelming spirit of his music. In short, all the hallmarks of a Mingus magnum opus.

Perhaps he could have been better served by his soloists. Larry Coryell's heavy electric rock guitar, with his swirling, muddy sounds, is out of place, while other lockstrut solo contributions make an impatient work to continue.

Royal Shakespeare Theatre, Stratford-upon-Avon

Twelfth Night by GARRY O'CONNOR

Acts One and Two are given a chillingly wintry setting in Terry Hands' otherwise mainly orthodox and highly enjoyable approach to this new *Twelfth Night* which joins the repertoire. Frosted crates which serve as lanterns when illuminated from within, beneath bare, silvered trees, evoke a deserted Parisian square with a blurred, watery, full moon above. To be realistic the edges of the moon should be more sharp in a frost, but all precise sense of locale is hazy also. Orsino strides on a love sick, Bohemian poet, perhaps; then follows Viola, washed up on a seashore. Both these scenes take place at night in John Napier's single setting.

The inattention to a proper time sequence becomes most glaring when after Act Two the seasons change: spring leaves sprout on the trees, and appropriately enough for this play, narcissi and white tulips deck the stage. All very effective and decorous, but it does ignore the necessity that Act Three, scenes one and two must follow a matter of hours only after the previous scene. Malvolio would not wait four minutes before appearing cross-gartered and in yellow stockings.

Apart from this the main thrust of comic action is well served. Orsino's unreal mood of sentimentality is delivered at white heat by Gareth Thomas: he speaks too quickly at the beginning but his vigour and ability to command attention is never in question. Willoughby Goddard and John McEneaney as Belch and Aguecheek respectively



Kate Nicholls, Gareth Thomas and Cherie Lunghi

Sadler's Wells

The Last Temptations

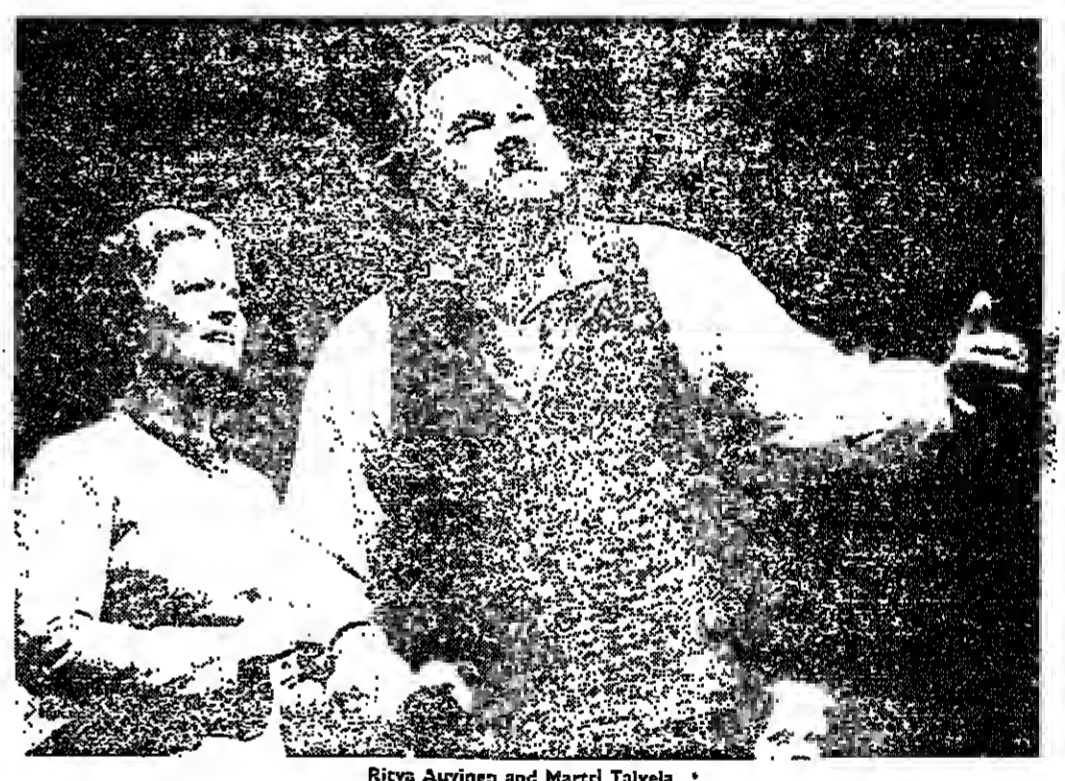
by NICHOLAS KENYON

Among contemporary operas, *The Last Temptations* by Joonas and Lauri Kokkonen has acquired a considerable reputation. In Finland it is almost a cult work, and reports that have come back to England from those who visited performances of this and other Finnish operas by the National Opera have suggested that it forms part of a uniquely fruitful operatic renaissance in the country. Perhaps, the rumour goes, opera is alive and well and living in Finland.

Now London has the chance to judge for itself, for both the National Opera, and Ballet are at Sadler's Wells for a short season: Sallinen's opera *The Red Line* is on tonight, and the ballet *Gopane* on Friday and Saturday. Tuesday's performance of *The Last Temptations* was indeed deeply impressive. The work is profoundly grim, a story of the personal struggles of the Finnish evangelist Paavo Ruotsalainen against the darker sides of his character. Joonas Kokkonen's music is constantly vivid, with its carefully-controlled washes of orchestral colour, its fine intonations of the most powerful psychological moments in the plot, and its well-balanced, unhurried pacing (there are 14 scenes in two acts, each linked by orchestral interludes).

Above all, there is most effective vocal writing which rises over the orchestra in a far more memorable and careful manner than in many 20th-century works: and Tuesday night's cast, with Martti Tavela as Paavo, Riva Auvinen as his wife, and Seppo Ruohonen as his son, sang it with full, rich, glorious voices. These were all guest artists, but the standard of the regular company members was no less suited to their parts—the ensemble in both singing and acting is superb, the production unoriginal but sensible, and the overall effect very powerful.

If through all this there comes an impression that I was nevertheless unable to share wholeheartedly in the rousing ebbs and flows at the fall of the curtain, then that is intended: I simply found, for my taste, the opera's content unsatisfactory. Paavo is portrayed as an utterly bleak character; we see nothing of the rhetorical power, the grip on an audience which he must have had at the heights of his activity as an evangelical preacher. He is totally at odds with the world, with his family (who in an anguished twist turn out, on his deathbed, to be those who have tormented him all his life). His failure, as we see it, is too deep and complete to be suddenly transformed



Riva Auvinen and Martti Tavela

into acceptance by the mere singing of a chorus (of which there are many in the opera). "The barrier of Heaven," of which he is so cocooned—though his wife Riva crosses it with uncomplicated ease as she dies

—remains in place throughout the opera. And musically, though as I have indicated the score is enormously competent, it seems to me to lack that last characteristic of surprise, of revelation which distinguishes the

great from the good. *The Last Temptation* is a very good opera, and to those who like a dull evening in the evening it may be unsurpassable. But I could not honestly put it on the list of operas I would wish to study, to get to know, and to live with.

German Embassy/Elizabeth Hall

Merscher/Igloi by DOMINIC GILL

The 17-year-old pianist Kristin Merscher from Germany reached the semi-final recital stage of the Leeds Piano Competition last year, and I called her then "probably one of the most sensationally gifted pianists ever to appear on the competition platform." She was young, certainly; at 17 no musician is mature and fully formed. But her gifts were already remarkable, and precisely those, I suggested, which any competitor should fall over backwards to catch and acknowledge. What grey, morosely-meaty-minded judgement was it of the jury's that prevented us from hearing her concerto finale?

The circumstances of Miss Merscher's London debut on Monday night—the musical quietest and centrepiece of a fourth-birthday party given at the German Embassy in honour of Sir Robert Mayer—were less

suspicious than they had been at Leeds. Her right arm had been badly bruised in a car accident a few days before, and she had only a small bandage round to play on, stiff-kyed, without brightness or resonance. She had to be content to fight with, not caress, her keyboard, and to pass over much of the subtler colouring of the music; but there was a great deal still to admire, and for those who had heard her Leeds recital, to remember—a sparkling second Book of Brahms Paganini Etudes, beautifully gauged and studied; Schumann's *Album Variations*, quick and clean and cool; and a Liszt "Feux follets," delivered with delicacy and brilliance, and best of all, a splendid sense of humour. Miss Merscher has years enough ahead of her, and is wisely not making hers too high too soon. But perhaps it will not be too long before we hear her, say, at the Wigmore Hall, and on a properly-voiced, professional instrument.

Palladium

The King and I

by ANTONY THORNCROFT

On the day of a Budget based in change the Palladium lifted he curtain on the post, on a ravous age of escapism and fantasy. *The King and I* returned to London, bringing back the 1950s, confidence, and melody. Judging by the forward bookings this Richard Rodgers and Oscar Hammerstein II musical will see out the Government, as long as Yul Brynner ticks with the razor and the oick Thai accent.

The music may be heavy with love; the lyrics predictable; the enticements trite, but the production has broken box office records in the U.S. and has the ind of confidence in the value of money that should repeat the record here. It looks magnificent and the casting is superb. The set piece scenes, with two recent infants and pretty ariental ladies, are presented with enough assurance to hience the earpiest critic. This is a very handsome peep at Thai history: no expenditure cuts ere.

And oddly enough the history is fairly accurate. Mrs. Anna Annouens, a Welsh widow, did take up the post of teacher to he children and wives of the amese autocrat. There were quabbles over her house; she id send back his presents; she id educate his son, who abandoned slavery on ascending he throne. She did not, perhaps, ward off British gunboats, or solve the King's seizure, or olve with him, but this is show usness. The factual signposts ive an integrity to the piece, hich even the inevitability of ul Brynner cannot destroy.

Brynner owes his stardom to his first night on Broadway as the King, 28 years ago, and little has changed since. He glides through the role, hiding too much of the dialogue with guttural grunts, and now portraying the King as a bit more of a softy. He lost his personality in the past years ago but at least he gives a hard, resonant core around which the other players can take their chances and Virginia McKenna, as Anna, certainly seizes hers. After early nerves she is the perfect lady, indeed the perfect English lady, that is forgivable in a Welsh governess. The voice is not dominating but it is plucky and there is a grace and integrity in her acting which make more of the plot than it deserves.

But the strength of the show lies in the east. The silks and the costume jewellery are draped around authentic looking bodies and June Angela and Marty Rhone, as the star crossed lovers, get the kind of acclaim usually hogged by the stars. Hye-Young Choi also impresses as Lady Thiang. The sets, ton, are pantomime plus standard, although the sound had trouble with the static, the lighting was an improvement on recent Palladium practice.

With such an assurance of success the performance has a ritualistic charm. This is hardly Richard Rodgers' best score; the strings are soaked in honey, and the melodies a pastich of romanticism. There is not a thought-provoking line in the show. But with Jerome Robbins contributing an arresting ballet when the plot runs out, and the



Virginia McKenna and Yul Brynner

ending as surprisingly downbeat as in *Evita*, *The King and I* will keep its place among the great Broadway musicals and this revival does not shame the tradition.

Arts news in brief

The arts must bear some of the burden of the Government's expenditure cuts. Most of the savings of almost £3m will come from cutbacks in housing the arts but the Arts Council has said its 1979-80 budget reduced by 2 per cent, or £1.14m. As a result its 1,200 clients are being notified that their grants are being cut by 2 per cent across

the board. However, in order to keep disruption to a minimum the clients have also been told that they can spend up to their allocated grants this year: they will enter the new financial year, starting in April, 1980, with a 2 per cent deficit, and then the problem will be faced. Perhaps the Arts Council hopes

for a larger grant in 1980-81 and make good the short-falls then.   
\*   
Vivyan Lorraine, who joined The Royal Ballet in 1968, is leaving the company at the end of this season at Sadler's Wells Theatre and will make her final appearance with the company

on Saturday September 29 (matinee) in *Lo Fête étrange*. Brian Bertscher, who joined The Royal Ballet in 1964, is also leaving the company. His final appearance will be in *Pineapple Pol* on Saturday September 22 (evening). Michael Corder will rejoin The Royal Ballet as a soloist from Monday August 27.

PASSENGER SERVICES EUROPE - SAUDI ARABIA.

Table with columns for flight numbers, destinations (London, Paris, Frankfurt, Geneva, Rome, Athens, Istanbul, Jeddah, Dhahran, Riyadh, Bahrain), and flight times.

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Large advertisement text: "Every day is Saudia day."

JOBS COLUMN and APPOINTMENTS

Singular pair of marketing opportunities

BY MICHAEL DIXON

MEET a gentleman with a dilemma, part of which is that he cannot be named here without exacerbating his difficulty.

His company is failing to achieve sufficient in-depth distribution of its product range. This aim is complicated by the need to market the products, whose pattern of distribution resembles that of the toy industry, both to wholesale and to retail outlets. A particular bugbear has apparently been failure to foresee when and where actual sales are liable to fall well short of those forecast.

He thinks the problem could best be overcome by engaging the right kind of sales director, whom he suspects must be a rare animal. So he is discussing the matter with consultants. Being in a hurry, however, he has come to the Jobs Column with a view to expediting the search especially since, I gather, the right candidate could be working anywhere in the world provided that he or she is linguistically and otherwise culturally transferable to a London-based concern. Which raises another problem.

It is how to guarantee proper security to such Jobs Column readers as might wish to apply for this director's job when neither the company nor, as yet,

the recruitment consultants may be named. And the answer is, I'm glad to say, the newly invented Resource Exchange (on which, for the benefit of regular readers, a further progress report will appear during the next two or three weeks).

Anyone interested in the job should write, with outline of appropriate achievements, to Michael Bretherton, Resource Exchange, 5 St. James's Place, London SW1A 1NP—telex 87150. Those wishing not to be identified to any particular employer should specify in a covering letter those to whom the application should not be sent. And the Resource Exchange will abide by those instructions. That being said, I'll tell you what sort of person the managing director in the case has in mind.

The preferred age-range is 30-40. During that time, candidates should have earned success in controlling the sales force of a concern dealing in toys, gifts, confectionery or the like. Behind this success will lie demonstrable skill in budgeting and forecasting. Previous responsibility for profits will be a distinct advantage. So will experience of contributing to marketing plans and to main Board decisions.

In particular, the newcomer must be capable of putting into force and keeping check on distribution objectives, sales-call cycles, and merchandising

drives, and of identifying and responding aptly to market trends. Familiarity with television promotions and with demonstrating products in stores will be among useful extras.

Rewards will be £12,000-£13,000 at present sales levels, plus an incentive based on additional turnover which should add another £5,000-£7,500. Negotiable perks, and a prospect of a share in the equity complete the list.

Pioneer

ANOTHER PROBLEM in the marketing area has been brought by head-hunter Richard Robinson, of the Otteridge consultancy. He is seeking a marketing manager on behalf of Gerald Moss, managing director of the burgeoning employment agency Rand Services, who I am told admits that one of his "problems" is that he gets on with most people, but beyond that is "as sharp as a razor." Next for shaving, apparently, are the employment markets of certain overseas countries where Mr. Moss is keen for Rand to expand.

It is not just himself or herself that the newcomer will have to insert into the London headquarters, but also the concept and techniques of marketing itself which, to most intents and

purposes, have been absent hitherto. Achieving the necessary acceptance will not be any easier for the fact that the recruit's new colleagues have largely been working with Rand for up to 15 years and, without professional marketing, have been doing fairly nicely. Last year's pre-tax returns of about £400,000 on £5m turnover were reports, by no more than typical in the stage terms.

But Gerald Moss wants to enhance the strong planning, sales and operations teams with a professional marketing approach. One likely task may arise from the fact that with 205 people employed in 45 places in England and Scotland, Rand's Services cover areas of high unemployment as well as others with severe shortages of labour. The same region can be affected by a similar dichotomy between different kinds of industry.

So there is a problem in working out an apposite balance of effort between getting in more business (about a third at present lies in temporary work) from employers, and attracting more individual workers to join the agency as candidates.

Working with Mr. Moss and with Ms Valerie Blair, the general manager, the recruit will have to determine how marketing knowledge and skill can best be applied in Rand. Advertising, market research, projecting prices and margins, promotion of business, will doubtless all be

among the responsibilities. The provision of associated training may also be included.

Mr. Robinson envisions the right candidate as someone already in charge or second-in-command of marketing a service, perhaps in the context of multiple retailing, entertainment, etc., or of handling similar types of accounts in an advertising agency.

Full competence in the numerate aspects of the marketing craft is important. There would be an undeniable advantage in more than a touch of salesmanship, but it must be of the nonobtrusive type because the newcomer will be working primarily in a "staff role" and I understand that people who have gained a feel for that kind of role, perhaps in personnel or other management services, would find it useful.

Preferred age range is 30-40. Once again, provided candidates are culturally transferable to work from London, it matters little where they come from.

Richard Robinson says that success in pioneering marketing in Rand should lead, if so wished, to the opportunity to move into a senior line-management job with the company after a year or a bit more.

But he does not quote any salary, so leaving the Jobs Column to venture its own estimate. At the minimum, I would think that the figure

would need to be £10,000 plus commensurate perks including a car. For a consummately qualified recruit, Rand could well have to go up to £15,000.

Applications demonstrating suitability to Mr. Robinson at 199 Knightsbridge, London SW7—telex 24788, telephone 01-589 1444.

Fast print

A BULK order for senior specialists with experience of, and ability to operate internationally in, the computer and business-systems field has been given to head-hunter Kim Owen-Browne by a company he may not name. So he promises to honour any applicant's request not to be identified to the employer until specific permission has been given.

The required specialists are field operations, marketing support, systems work, planning and training. Appropriate experience is essential, and language skills would help a lot. Salaries to be paid by the London-headquartered employer—which is in the business of electronic printing and associated systems—will vary from £12,000 to £25,000 depending on particular job.

Inquiries to the head-hunter at Owen-Browne Associates, 29 St. James's Street, London SW1A 1HA—telex 91876 Toray G, tel. 01-839 4401.

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£30,000+

Our client is a major UK Company with worldwide interests. The appointee will be resident in West Africa where the company has long established operations.

Reporting to the local Managing Director and also working closely with the UK Parent Board, responsibilities will include the financial direction and control of numerous business operations and their profitability. There will be a major involvement in Front End Government Contract negotiations and frequent liaison with Banks. There is a substantial team of qualified accountants some sited at widely dispersed locations. Candidates should be Chartered Accountants, ideally in their forties. Previous overseas experience in a senior financial position is preferred but the ability to manage a large team and operate effectively in a challenging environment is essential.

There is a two year contract and benefits include free accommodation with possibly a swimming pool, a car, a terminal bonus, school fee allowances if needed and the usual big company conditions. Please apply in writing to Peter Barnett, F.I.P.M., M.I.M.C., quoting Ref. 92L, Barnett Keel Ltd., Providence House, River Street, Windsor, Berks. SL4 1QT. Tel: Windsor 56723. Telex: 849323.

Barnett Keel MANAGEMENT SEARCH

Senior Negotiator

London c. £10,000

British Gas Headquarters wishes to recruit a suitably qualified man or woman for the above position in their Purchasing and Supplies Department.

Applicants should have the following qualifications: a good honours degree or relevant professional institute membership, possibly backed up with a business school qualification. It would be an advantage to have a thorough understanding of, and experience with, project appraisal and market evaluation studies—preferably but not necessarily in the petroleum business—and extensive first-hand knowledge of large commercial negotiations; experience of Government and industry inter-relationships possibly derived from involvement with the Civil Service; the professional ability to conclude soundly based contracts; and be able to delegate to staff and motivate them.

The salary will be c.£10,000 p.a. and the benefits are those normally associated with a major progressive organisation.

Applications giving age, qualifications, experience, current salary and quoting reference number EA/750401/FT should be addressed to: Personnel Manager (HQ), British Gas, 59 Bryanston Street, London W1A 0AZ.

BRITISH GAS

Shipping Finance

Merchant Banking

Grindlay Brands, a subsidiary of the Grindlays Bank Group, is at present expanding its well-established Shipping Finance Department. We now need a young executive to join our team.

For this important appointment, candidates, male or female, should have at least three years' experience in banking relating to ship finance. A proven track record in marketing and credit decisions is essential. Educational qualifications should be of graduate standard, preferably with a commercial bias. Personal qualities must include self motivation and the ability to work independently within a team environment.

The executive will be given immediate responsibility for handling certain existing customer relationships and for developing new business. Some travel will obviously be required.

The right person can expect a salary to match their experience and there is a substantial benefits package available. Career prospects are in the context of the International Group.

Please write giving full career details to:

Grindlay Brands

R. J. E. Barker, Group Appointments Manager, Grindlay Brands Limited, 36 Fenchurch Street, London EC3P 3AS.

Financial Manager

Insurance Saudi Arabia Circa £14,000 (Local Tax Free)

A leading British/Saudi owned insurance company with a substantial fire, accident and marine portfolio wishes to appoint a Financial Manager. He will report to the General Manager and will control all the financial aspects of the company. Duties will include debtor control, cash flow, reinsurance accounting, annual and quarterly accounts using manual accounting systems in English, etc.

Candidates should be qualified accountants ideally aged 28-40 years. They should either come from an insurance company background or have spent time in insurance accounting. Previous overseas experience and the ability to speak Arabic would be very useful although not essential.

Salary is negotiable depending on age and experience and is free of local tax. Free furnished accommodation, car, generous leave with free passages and other fringe benefits. The job offers very good career prospects in an expanding company and is based in Jeddah.

Contact: Tony Smith (01) 235 7030, Ext. 12. (Answering service out of hours: (01) 235 6938.) PER Overseas, 4-5 Grosvenor Place, London SW1X 7SB.

PER Professional & Executive Recruitment OVERSEAS

EXPORT SALES EXECUTIVE

MOTOR ACCESSORIES

An opportunity occurs for self-motivated person with proven sales and marketing ability in overseas markets to expand present turnover by personal selling to distributors, importers and through agents. Good negotiating ability, imagination and a knowledge of export procedures essential. 4 to 6 months overseas travel annually, offering freedom of action within directives, excellent prospects and salary, car and pension scheme. Write with full personal details and present position to—

SALES DIRECTOR, COSMIC CAR ACCESSORIES LIMITED, MOUNT STREET, WALSALL, WEST MIDLANDS. or telephone on 0922-33321, 9 to 10.30 a.m.

EXPORT FINANCE

£11,500-£13,500+Car

Our client is the International Division of the Midland Bank.

The Export Finance operation, along with the rest of the Division, is in the midst of a programme of aggressive expansion and seeks further Project Finance Executives to help sustain the momentum. The successful candidates will be able to demonstrate several years' successful experience of the promotion and arrangement of export financial services, including ECGD project buyer credits. They will

have been used to dealing at the most senior levels both inside and outside the United Kingdom, and it would be an advantage, but not a prerequisite, to have at least one language in addition to English. The posts are London based but overseas travel will be necessary. Prospects for advancement in a dynamic environment are excellent and the positions carry the fringe benefits associated with a major International Bank.

Letters of application, together with CV, salary progression and any other relevant data, should be forwarded without delay to: Mr. C. A. Coiton, Executive Recruitment Division, MLH Consultants Limited, Park House, 22-26 Great Smith Street, London SW1P 3BU, quoting reference A137.

MH Consulting Group of Companies

Deputy Managing Director

Engineering sales and export c. £15,000 + bonus + car

Our client, part of a substantial British engineering group, has extensive interests in the design, assembly, distribution and marketing of machinery and equipment. The Managing Director now requires the support of an exceptionally able young Deputy who will share his responsibilities for planning, budgeting and implementing future strategies as well as assisting in the day-to-day running of the business.

Initially, you will have particular responsibility for developing and implementing worldwide marketing activities. Marketing experience in the UK and overseas through distributors and dealers is therefore essential. In due course, you will be expected to acquire a full knowledge of all other aspects of the business and prospects are excellent. Our client is looking for a graduate-calibre man or woman with an engineering

background and experience in professional marketing. At around 40, you will have proved your outstanding business and leadership skills by having achieved a senior general management post or a Board appointment responsible for marketing. In addition to the salary of around £15,000 there is a bonus, company car and extensive benefits, including removal expenses to an attractive location.

REPLIES will be forwarded direct, unopened and in confidence to the client unless addressed to our Security Manager listing companies to which they may not be sent. They should include comprehensive career details not refer to previous correspondence with PA and quote the reference on the envelope.

PA Advertising

Hyde Park House, 60a Knightsbridge, London SW1X 7LE. Tel: 01-235 6060 Telex: 27874



A member of PA International

yardley Management Control

London Based From £10,000+car

An important new position has been created, responsible to the Financial Director. The aim is to help ensure that operations worldwide are being efficiently managed and to assist local and central management improve the profitability of these operations.

Candidates, aged over 30, should have an audit/management accounting background and, ideally, consultancy experience which will have provided exposure to marketing strategy, production and inventory control and budgeting as an effective management tool. These are prerequisites for constructive business and management appraisal.

As part of the BAT Industries Group, the prospects attached to this role are considerable. Applications are also invited for similar work from younger candidates with the potential for promotion.

Please contact I. G. Thorburn, Finance Director, 33 Old Bond Street, London W1. (01-829 9341)

Self initiated



هنا هو الأصل

**C&L**

## Accounting Consultancy

### A Challenging Environment

London Based

As one of the largest British - and international - firms of management consultants we expect to offer our clients an international service of technical excellence spanning a wide range of disciplines.

Our immediate need is for qualified accountants aged 23-35 with at least 5 years' experience in industry-commerce. Successful candidates will carry out problem solving assignments in areas of:-

- \* financial analysis and project appraisal
- \* management information and control systems
- \* computer systems
- \* costing systems.

Competitive starting salaries will be negotiated. Those interested will have the opportunity to work on overseas assignments with premium salaries and generous allowances.

Brief but comprehensive details of career and salary to date, which will be treated in confidence, should be sent to J. G. Cameron, Executive Selection Division, ref. CF20 49, at the address below. Please include a daytime telephone number at which you may be contacted.

**Coopers & Lybrand Associates Limited,**  
Management Consultants,  
Shelley House, Noble Street, London, EC2V 7DQ.

## Manager-Business Relations

### A Strategic Communications Role

This Division of a major U.K. Group seeks to maximise its capability of handling relationships with staff, Government Departments and Agencies, Trade Associations and other institutions - both in the U.K. and overseas. The need is to strengthen and support the Division's expanding operational business by developing and implementing short and long term communications strategies.

The requirement is for a specialist of significant stature in the communications industry or, possibly, a commercially aware, creative and effective manager, male or female, used to operating at least at Divisional Board level in a large manufacturing company.

Terms, with a base salary well into five figures, are for negotiation. Location is on attractive part of South East England.

Please write in complete confidence, quoting Ref: FT/650, and giving brief details of age, experience, qualifications and present earnings to:

**CB-Linnell Limited**  
8 Oxford Street, Nottingham  
MANAGEMENT SELECTION CONSULTANTS  
NOTTINGHAM - LONDON

### AUDIT SUPERVISOR

££15,000 tax free substantial benefits  
**SAUDI ARABIA**

Our client is one of the largest Saudi Arabian trading groups and they require an Audit Supervisor for this key function which is established and expanding.

The person will supervise the work of auditors engaged in the reviews of organisational and functional activities; provide a comprehensive practical programme of annual audit coverage within general areas assigned and complete detailed reports and make recommendations on the effectiveness and accuracy of systems and controls.

Candidates should be qualified accountants with sound EDP audit experience and have relevant experience in a medium or large accounting firm followed by internal audit experience in a medium or large industrial or commercial firm. Preference will be given to Arabic speaking candidates. A tax free remuneration package of circa £15,000 is offered. There is excellent modern office accommodation. Additional benefits include free first class furnished modern housing with recreational facilities and utilities, medical and accident insurance and a car allowance. Opportunities for career advancement within this expanding company are good.

Please send a comprehensive career resume, including salary history, quoting ref. 980/FT to W. L. Tait.

**Touche Ross & Co. Management Consultants**  
4 London Wall Buildings, London, EC2M 5UJ.  
Tel: 01-588 6644.

### FINANCIAL DIRECTOR

Age: 30-45 Up to £11,500 + car  
**Home Counties - West of London**

Our client is a medium sized successful group of private companies in manufacturing. They require a Financial Director who will report to the Chairman.

The responsibilities include the day to day running of the accounting function including the operation of the costing system; the production of monthly and annual accounts, the operation of the budgetary control system; cash flow and the continuous development of the accounting system. There are also secretarial and legal duties.

Candidates must be qualified accountants and have had wide accounting experience, including costing experience, in industry, preferably in a small or medium sized company. Experience in secretarial matters is also necessary.

The salary will be negotiable up to £11,500. In addition, a car will be provided and there is a pension scheme. Assistance with removal expenses will be given, if appropriate.

Please send a comprehensive career resume, including salary history, quoting ref. 981/FT to W. L. Tait.

**Touche Ross & Co. Management Consultants**  
4 London Wall Buildings, London, EC2M 5UJ.  
Tel: 01-588 6644.

### GILT EDGED SPECIALIST

Our client, a major firm of London Stockbrokers, is seeking a specialist with good institutional connections to join its long established Gilt Edged Department. This post should appeal to an ambitious person either in a very large firm, where progress is limited by numbers, or in a small firm, where they lack the necessary support to expand their ideas. Full economic, statistical and technical backing is available and major research projects are currently in progress.

Our client's requirements are flexible in terms of age and level of entry into the firm, provided that the applicant is of appropriate calibre.

Salary and other conditions are unlikely to be a barrier to the right person.

All replies will be forwarded direct to our client. Please indicate in a covering letter any firms to whom you do not wish to apply.

Please send a comprehensive career resume, including salary history, quoting ref. 982 to W. L. Tait.

**Touche Ross & Co. Management Consultants**  
4 London Wall Buildings, London, EC2M 5UJ.  
Tel: 01-588 6644.

## HG Hoare Govett Ltd

### TWO SENIOR POSITIONS

## Eurobonds-Head of Department

An experienced Eurobond dealer is required to take charge of our Eurobond operations.

The successful applicant - who must have considerable experience in this field - will be given every encouragement to develop and expand Hoare Govett's Eurobond business.

The salary will reflect the importance of this position.

### European Securities' Analyst

An experienced analyst is required to increase our service to institutional clients on European securities.

Continental experience and languages would be a distinct advantage.

This post might suit a Continental analyst wishing to broaden his/her experience and who is willing to move to London.

The salary is negotiable and the prospects are excellent.

Applications for both appointments which will be treated in strict confidence should be addressed to:

The Secretary,  
**Hoare Govett Ltd.,**  
Atlas House, 1 King Street, LONDON EC2V 8DU.

## SENIOR PROJECT OFFICER / SENIOR ASSISTANT

Up to £5712 plus Productivity Payment

West Midlands Gas is looking for either a graduate with several years experience, or a young graduate with about one year's experience, in applying computer based modelling/statistical techniques in forecasting in an industrial environment.

The vacancy exists at Solihull in the Economics and Forecasting section of the Corporate Planning Department as part of a multi-disciplined graduate team consisting of Economists, Mathematicians and Statisticians. The department is responsible for the production of the Region's Corporate Plan and this position provides an opportunity for someone with ability and an interest in planning and economics to make a positive contribution in an existing growth industry.

The successful applicant, male or female, will be involved in developing the departments forecasting models and database/information systems, many of which are based on the Region's own powerful computer facilities and on computer bureaux where use is made of high level planning languages.

Applicants should preferably have experience in the setting up or maintenance of a computer data-base and knowledge of FCS or Fortran would be an advantage although further training is available for those with a different computing background. First degree subject is not of prime importance but a strong numerate background is essential together with experience in, and/or the desire to become involved with, the applications of computer-based numerate techniques to practical problems. The ability to communicate clearly to non-specialist personnel at all levels is also essential.

The starting salary (which is under review) will be in the range of £4,833 to £5,712 or £3,927 to £4,746 (depending upon the level of entry) plus current self-financing productivity payment.

Please apply for an application form quoting Ref. No. FT/A39 to:

Senior Personnel Officer  
(HQ & Marketing)  
West Midlands Gas  
Wharf Lane, Solihull  
West Midlands B91 2JP

**WEST MIDLANDS GAS**

## ASTLEY & PEARCE LIMITED

are looking for Trainee Dealers in their Euro-currency Deposits Department. The ideal candidates would be in their early 20s with some money-market experience.

Please apply in writing to the Personnel Department, or telephone for an application form and/or further information:

**ASTLEY & PEARCE LIMITED**  
80 Cannon Street, London, EC4  
Telephone: 01-626 2486

### SHIPOWNERS THIRD PARTY LIABILITY INSURANCE

## GRADUATE LAWYER

A vacancy exists for a young (age 22-26), qualified lawyer (barrister or solicitor) with good U.K. university degree to join firm of Managers of a Shipowners Mutual Protection and Indemnity Insurance Association. Pupillage in maritime chambers or experience in a firm of shipping solicitors a great asset.

Salary from £5,250 according to age and experience.

Write, with full curriculum vitae, to:-

Mr. Colin Harris  
**CHARLES TAYLOR & CO.**  
120, Fenchurch Street, London EC3M 5HA

**C&L**

London £12,500 neg. + car

## FINANCIAL DIRECTOR DESIGNATE

for a quoted, highly regarded, rapidly expanding and essentially family managed retail group.

This is a new appointment with responsibility to the Managing Director for the entire financial function.

Age from 30. Possibly a career appointment for a commercially orientated and enthusiastic qualified accountant.

Resumes including a daytime telephone number to J. G. Cameron, Executive Selection Division, ref. C388.

**COOPERS & LYBRAND ASSOCIATES LTD.**  
Management Consultants  
Shelley House, Noble Street, London, EC2V 7DQ.

## Company Accountant

Greater Manchester to £10,000

Flexible and reliable service while maintaining the highest standards in quality is the hallmark of this expanding heavy engineering company. To help maintain this reputation they need a person with experience and initiative not only to manage the complete finance and accounting function but also to ensure that the introduction of the most up-to-date administrative facilities and efficient information services benefits both the company and ultimately their customers. This is an excellent opportunity for a qualified accountant with at least five years' industrial experience and aged, ideally, 30 to 45, to take on a demanding role with sound career prospects. Initial salary is negotiable to £10,000 and relocation will be paid where necessary.

Ref. AA59 8933 FT

Initial interviews are conducted by PA Consultants. No details are divulged to clients without prior permission. Please send brief career details or write for an application form, quoting the reference number on both your letter and envelope, and advise us if you have recently made any other applications to PA Personnel Services.

**PA Personnel Services**  
Hilary Park House, 6th Knightbridge, London SW1X 7LE. Tel: 01-245 6068 Telex: 27074

## User Oriented Business Analysts

### Solve the functional problems of customer administration - on an international scale.

The Shared Development Centre of Rank Xerox is currently engaged in designing and developing an international system for the use of our 13 Operating Companies throughout Europe. It is a major project, expected to last 2 years, and to make a significant contribution towards efficiency and organisational performance.

We are looking for Business Analysts to define functional requirements, to understand the implementation problems and to ensure successful implementation within the Operating Companies.

You will provide the vital interface between users and computer systems staff and will need a wide understanding of the customer administration function. We need staff from a number of backgrounds, including CRM, Management Services, Order Processing, Invoicing, Debt Management, or a user orientated systems environment. Experience must be commensal with management level responsibilities, and ideally should include some knowledge of a lease base or sales organisation.

Imagination, inventiveness, man-management and communicative skills are essential.

As the project will be implemented on an international scale we anticipate considerable overseas travel to the major cities of Europe and to our USA Training Centre, near Washington D.C.

These are senior appointments within a highly dynamic and progressive company so the rewards and long term prospects will be exceptional. Starting salaries are likely to be in the region of £8,000 but are open to negotiation and benefits will include a generous relocation package and free BUPA membership.

Please apply to: Sue Widdell, Senior Personnel Officer, Rank Xerox (UK) Ltd., Bridge House, Oxford Road, Usbridge, Middlesex. Tel: Usbridge 51133.

**RANK XEROX**

## Jonathan Wren - Banking Appointments

The personnel consultancy dealing exclusively with the banking profession

### BANKING IN THE MIDDLE EAST

#### BILLS DEPARTMENT Tax-Free Salary

Our client, the national bank of a Gulf State, seeks a Junior Officer to take charge of the Head Office Bills/Letters of Credit Department.

Shareholders of the bank include the state government, prominent local businessmen, and - either directly or through subsidiaries - three well-known and respected foreign banks.

Candidates, of bachelor status and aged in their mid-twenties, should have a minimum of four years' banking experience including all aspects of Bills and Letters of Credit. The person appointed must be capable of running a relatively active department and it is a necessary requirement that he participate socially to assist in the marketing of the bank.

Salary is negotiable upwards from £8,000 per annum, paid in local currency and TAX FREE. A profit-related bonus, normally not less than 10% of annual salary, is also payable. A full schedule of the extensive range of fringe benefits offered by the bank will be made available to short-listed candidates. Interviews will be conducted in London during July.

Please telephone **KEN ANDERSON** in the first instance.  
All enquiries will be treated in strict confidence.

First floor - entrance New Street  
170, Bishopsgate London EC2M 4LX. 01-623 1266

**EMA**  
**CHIEF ACCOUNTANT**  
 Recently Qualified

London EC2. to £8,000 + car

Responsible to the Financial Director for the complete accounting function of the UK company and its European operations, the Chief Accountant will supervise 16 staff. Systems have been recently computerised and there is scope for further development. Solving exchange control problems, he or she will manage cash resources and have close contact with the company's general management.

Our client is a subsidiary of a major UK investment group. Currently turning over £20 million providing a range of industrial services on an international basis, the company is developing its operating capability overseas. Aged 24-28, applicants should ideally be chartered accountants with a year's industrial experience involving staff management. Please telephone or write to David Hogg FCA quoting reference 1/1801.

EMA Management Personnel Ltd.  
 Burne House, 88/89 High Holborn, London, WC1V 6LR  
 Telephone: 01-242 7773

**International Hospital Management—Finance Department**  
 salaries equivalent to £16,000 and £24,000 tax free + bonus

**United Kingdom based international medical group** — the only British competitor in its field — is planning its expansion in the Middle East and elsewhere in the developing world. To accelerate the pace of this expansion the group wishes to make two senior appointments to its operations.

**Financial Controller**  
 Responsible for providing financial advice to the executive committee, for representing the finance department in dealings with external bodies, for budgetary control of a programme with an annual expenditure equivalent to approximately £80 million, and for a departmental staff made up almost entirely of expatriates, the ideal candidate will be a graduate chartered accountant in his early thirties, experienced in information systems, whose commercial judgement is buttressed by his professional skills. Salary £24,000 tax free + bonus. Ref MCS/3756.

**Auditor**  
 Responsible for an independent appraisal review of accounting financial and operational controls, for developing a programme for auditing the data processing procedures and systems planned for installation, for auditing the security of the hospital's computer operations, he will be a young chartered accountant, trained in one of the larger firms, used to following computerised audit trails and able to present recommendations simply and clearly. Salary £16,000 tax free + bonus. Ref MCS/3757.

These appointments are challenging ones in an area of accelerating economic development. The operating base is Riyadh. The environment is cosmopolitan and the standard of living as expressed in terms of material comfort is high.

Contracts are for two years with four weeks leave every six months. Generous fringe benefits include free first class air travel, top class accommodation, education allowance and children's holiday passages.

Please send a curriculum vitae to David Prosser, Executive Selection Division, Southwark Towers, 12 London Bridge Street, London SE1 9SY, quoting the relevant reference. Letters will be acknowledged and forwarded to the client. List separately any organisation to which you do not wish your curriculum vitae to be sent.

**Price Waterhouse Associates**

**Financial Controller**  
 South Coast c. £10,000 + car

This UK company is part of a highly successful group which is a world leader in its range of precision engineering products used throughout industry. In Britain, it has a turnover exceeding £20m and two manufacturing companies, one of which is located in Sussex. The Financial Controller will take full responsibility for the accounting function at this site and for certain administrative services including security and on-line computer operations. Reporting to a main Board director, the person appointed will also work in close conjunction with the head of production in controlling buying and personnel matters. An initial involvement will be a major extension to the factory. Candidates, aged 30 to 40, should have an accounting qualification with experience in managing the function, preferably in engineering. Salary will be negotiable around £10,000 with a car and good fringe benefits.

PA Personnel Services AA51/6941/1FT.  
 Initial interviews are conducted by PA Consultants. No details are divulged to clients without prior permission. Please send brief career details or write for an application form, quoting the reference number on both your letter and envelope, and advise us if you have recently made any other applications to PA Personnel Services.

**PA Personnel Services**  
 Hyde Park House, 60a Knightsbridge, London SW1X 7LE. Tel: 01-235 6060 Telex: 27874

**PA**  
 A member of PA International

**Senior Financial Analyst—Consumer Retail Credit**

This is an opportunity to make a substantial contribution at the formative stage of a vigorous and expanding operation.

Based in our Kensington offices, Retail Services Division is developing the retail credit card arm of Citibank Trust, the UK finance subsidiary of Citibank N.A., which is one of the world's largest international banks.

The man or woman we need will assist the Financial Analysts Manager in developing financial and management reporting systems and support senior management in maintaining the profit profile through this period of rapid growth.

You should be between 25-30, probably possess a major accounting qualification or MBA and must have a high level of expertise in financial control, planning and analysis gained within a sophisticated large company environment. You will also have the resilience and maturity to maintain a high standard of professionalism in a fast moving operation.

In return we can offer good career prospects, a first class salary and valuable benefits including low cost mortgage and personal loans. Please write to Angela Wadlow at Citibank Trust Ltd., Retail Services Division, 364-366 High Street, Kensington, London W14, with full career details.

**Citibank Trust**

**Economist**  
 Up to £7,500

We have a vacancy for an experienced Business Economist, aged 25-29, in our Economic Analysis Section.

This team, based in the City, provides advice to Senior Management to assist in day-to-day decision-making and Corporate Planning. Specific responsibilities include reporting on developments in the U.K. economy, particularly in the financial sector, and producing forecasts of bank deposits, advances and key interest and exchange rates. In addition, there is considerable scope for research with practical application.

We are looking for someone with a good degree in economics and a sound knowledge of econometrics and statistics. Post graduate experience should include at least two years in business forecasting, preferably in the financial sector. Some knowledge of computer applications would be an advantage. A practical approach to solving management problems and the ability to communicate the results of technical work to non-specialists are essential.

Starting salary will be in the range £5,500 to £7,500 per annum (including London Allowance), depending upon qualifications and experience. Additional benefits include profit-sharing and other schemes usual in the banking industry.

Please write or telephone for an application form to:  
 V. J. R. Connolly,  
 Graduate Appointments Officer,  
 Personnel Division,  
 Recruitment Department,  
 National Westminster Bank Limited,  
 P.O. Box 297,  
 12 Throgmorton Avenue, London EC2P 2ES.  
 Telephone: 01-628 9888 ext. 380 or 483.

**National Westminster Bank**

**Stephens & Gilchrist**  
 Recruitment Consultants

The Department of Development of the London Borough of Brent, engaged on a dynamic programme of construction, is multi-professional: Architects, Engineers, Planners, Quantity Surveyors, Valuers and Central Administration, engaged on a major programme of works. The Chief Administrative Officer will be starting in June 1979 and we are looking for someone of proven managerial ability, sound administrative background and financial competence to succeed him.

**Chief Administrative Officer**

Administration can suggest boredom but with us you will not be bored. You will need to be an innovator with flair and versatility, able to foresee the requirements of the Department and devise systems to meet them.

You will be responsible solely to the Director of Development for all administrative, management and clerical services within the Department, and will attend management and Council Committee meetings.

Competence in financial matters is necessary but extensive management experience with proven ability to motivate and manage a large work force engaged in a variety of duties is essential.

Salary Grade in PO2A range £7,365 to £8,109 pa inclusive. Generous Relocation expenses available.

Application forms from the Administration Manager, Room 708, Brent House, High Road, Wembley, Middlesex returnable 29th June. Telephone 01-903 0371 (24 hour Answering Service). Reference number D/79/JD must be quoted.

**London Borough of BRENT**

**ADMINISTRATOR SOLICITORS**

Head of Administration required by substantial firm of solicitors to assume responsibility for all non-legal staff and services. The successful applicant will have a degree or professional qualification in Management or related studies and will also have had five to ten years' administrative experience in a similar organisation employing over 200 persons. You will be expected to participate fully in the development of an expanding modern Partnership.

Generous salary and conditions negotiable  
 Apply with full Curriculum Vitae to:  
 Box A6794, Financial Times  
 10 Cannon Street, EC4P 4BY

**FAST GROWING** international public company are seeking to expand their top management team. An opportunity for organised and profit-orientated people to become involved in an exciting and fulfilling role.

**FINANCIAL DIRECTOR (FD)**  
 Probably already holding a similar post with a sizeable quoted company, or perhaps a major subsidiary of such a group. Enthusiasm and a capacity for hard work are required to play a major role in the development of the Group at top level.

**COMPANY SECRETARY (CS)**  
 Professionally qualified. Will probably have gained appropriate experience with a public group. To play an important part on the main and subsidiary boards. An interesting and challenging position with a wide variety of duties.

**FINANCIAL DIRECTOR—Hong Kong based (HK)**  
 For the Group's largest manufacturing subsidiary which is in the exciting chip-based electronics industry, employing in excess of 1,000 people in two factories. As this subsidiary is only 51% owned, there will be a significant element of communication and representation of the Group's interests involved. Appropriate expatriate benefits are included offering a real opportunity to build up capital.

**RETAIL MANAGER/DIRECTOR (RM)**  
 Preferably with D.I.Y. background, although other retailing experience would be appropriate. To become involved with the Group's expanding D.I.Y. retailing interests. Franchise chain, and Shops within Shops.

**DATA PROCESSING MANAGER (DP)**  
 To organise and take charge of existing and currently being installed computers at seven sites, DEC 11/34's based, in an extremely sophisticated operation, including communication via modems. A challenging job with immense scope.

Salaries and conditions offered will match the seniority of each appointment and will not be a limiting factor for the right people.

Applications will be treated in the strictest confidence. Envelopes should be marked with appropriate reference quoted in brackets and addressed to:

Mr. A. J. Leboff  
 S. LEBOFF (FOBEL) LTD.  
 Hyde House,  
 Colindale,  
 London, NW9 6LG.

**DIRECTOR MANAGEMENT CONSULTANCY**  
 Central London Base negotiable to £16,000 + car

We have been retained by a medium sized, nationally based firm of Chartered Accountants who plan to appoint a Director to set up an independent Management Consultancy.

Reporting to the Practice Partners, the Director will have responsibility for planning, managing and developing the company's services which will initially be financially orientated. However, important aspects of the appointment will include defining the subsequent parameters of operation and undertaking a broader business role, in particular the active marketing of consultancy services.

Probably aged in their early 30's and preferably graduates, candidates will be qualified accountants who have a broad base of experience in practice and industry, followed by a period with a recognised consultancy. They should have a strong personal presence, together with a creative, committed approach and the successful candidate will possess outstanding management and communication skills.

For further information concerning this appointment candidates should submit a curriculum vitae or write requesting a personal history form to Nigel V. Smith, A.C.A., or Kevin Byrne, B.A., quoting reference 2499.

Commercial/Industrial Division  
**Douglas Lombard Associates Ltd.**  
 Accountancy & Management Recruitment Consultants  
 410, Strand, London WC2R 0NS. Tel: 01-839 9201  
 121, St. Vincent Street, Glasgow G2 5HW. Tel: 041-226 2101  
 3, Colston Place, Edinburgh EH3 7AA. Tel: 031-229 7744

**DIA**

**GROUP FINANCE DIRECTOR**  
 Thames Valley £15,000

Our client is a privately owned group of companies with predominantly structural engineering interests. It has a growing export market worth several millions of pounds arising from a number of UK locations.

The new position of Group Finance Director has been created to centralise responsibility for the development and execution of financial policies, plans and procedures for this expanding and necessarily complex organisation.

Suitable candidates will already have had extensive experience of senior financial management in well organised groups with manufacturing or fabricating interests. They will be qualified accountants probably aged between 35 and 45.

Please send brief personal and career details to Douglas G. Mizon, 57 Chiswell Street, London EC1Y 4SY.

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Handwritten signature: Jolly

كنا في الوطن

**EMA**  
**YOUNG ACMA FOR INTERNATIONAL BANK**  
 London to £8,000 + low cost mortgage  
 Our client is the London branch of one of the world's leading banking groups. Expansion and promotion has led to the requirement for an ACMA to strengthen the bank's accounting function.  
 Supervising a small department, the Accountant will be involved in costing, profitability studies and pricing over a range of the bank's services. Working closely with senior management, he or she will additionally be expected to contribute to further development of management information systems. Financial prospects are excellent and could be within banking operations or within the financial function.  
 Applicants should ideally be graduate ACMA's with post qualification experience in industry or commerce. Please telephone or write to David Hogg FCA, quoting reference 11859.  
 EMA Management Personnel Ltd.  
 Burne House, 88/89 High Holborn, London, WC1V 6LR  
 Telephone: 01-242 7773

**INTERNATIONAL CORPORATE FINANCE**  
**£15,000 min.**  
 You are a merchant banker and you enjoy a successful track record of generating profit from corporate finance business.  
 You have probably gained specialist experience, such as in Project Finance Management, with a major international bank.  
 You are in your early thirties and have already achieved a self-generated professional banking expertise in a particular business sector or geographical area.  
 Your present position does not allow you to pursue potential transactions, or to complete business you have initiated.  
 You now wish to join a small, flexible, highly profitable team and complement the bank's rapid expansion. This appointment is City-based and will involve overseas travel.  
 The ability to identify, secure and conclude business by yourself is most important. The level of salary will generously reflect this, and will be reached by negotiation.  
 Please contact, in confidence, Jack S. Pine, M.A. Consultant, Ref: 2404.  
**David Clark Associates**  
 150, Strand, London WC2R 0EJ  
 Telephone: 01-573 3333

**Stockbroker**  
**development situation**  
 Our Client, a leading Institutional Broker, with considerable international connections, seek a 'generalist' sales person on their UK Equity Desk to work at near Partner level. Their marketing approach is based on a combination of personality, their knowledge of the institutional market and their commitment to research - they feature strongly in research surveys.  
 You could already be a Partner but are more likely to be working in a senior capacity either in an Institutional Sales role or as a Private Client Fund Manager. The essential ingredient is that you will have some five years' S.E. experience, a great deal of personal charisma and the ability to sell at Principal level both to London and International clients.  
 Our Client offers a very generous remuneration package and a definite commitment to long term development.  
 Please reply in absolute confidence (names not released without your permission) to Colin Barry at Overton Shirley and Barry (Management Consultants), 2nd Floor, Morley House, 26 Holborn Viaduct, London EC1A 2BP. Telephone: 01-353 1169.  
**Overton Shirley and Barry**

**Oil and Gas Exploration**  
**Onshore**  
 Taylor Woodrow Construction Limited, the operating company of a newly formed Oil and Gas Exploration Group, wish to appoint the following senior personnel to join their team supervising an extensive onshore exploration programme in the United Kingdom.  
**Drilling Engineer**  
 Reporting to the Project Director his/her responsibilities will be divided between planning and control activities in London and supervision on site.  
 Work will include planning of the drilling programme, negotiations with contractors and supervision during the drilling phase. Good man-management and proven experience of cost control are essential.  
 Candidates should have at least 8-10 years experience in drilling and workover operations and must be qualified to Degree level in Mechanical or Petroleum Engineering.  
**Senior Geologist**  
 The Senior Geologist will be responsible for carrying out regional and detailed geological studies and recommend appropriate programmes for future exploration. He/she will define the geological objectives for an onshore drilling programme and be responsible for monitoring the geological data obtained from drilling.  
 He/she will report to the Project Director and be based in London although visits to field locations will be required.  
 Candidates should have a University Degree in Geology and at least 10 years experience in field work and sub-surface geology.  
 These senior positions offer excellent salaries plus company cars and the kind of conditions of employment and fringe benefits to be expected from a large international organisation.  
 For more information please write giving brief details of age, experience and career to date to Personnel Manager (Ref. RCP), Taylor Woodrow Construction Limited, 345 Ruslip Road, Southall, Middx. 01-575 4596.  
**Construction**  
**Taylor Woodrow**

**ASSISTANT FINANCIAL CONTROLLER**  
**Banking £8500 + benefits**  
 A major force in world banking is currently offering a demanding and outstanding opportunity to join the London finance team.  
 The bank's activities cover the full spectrum of financial services and the successful candidate will be involved in the accounting aspect of Loan Portfolios, Investment Banking, Money Market and Foreign Exchange dealings, Securities and Syndicated Loans. Close involvement in the bank's internal accounting systems and policies will also be required and this will necessitate an awareness of computerised systems.  
 Our client invites applications from qualified accountants preferably in the early stages of their career who are now looking for responsibility and career development.  
 For details of the benefits and a full specification please contact Richard Wilson, Consultant.  
**David Clark Associates**  
 150, Strand, London WC2R 0EJ  
 Telephone: 01-573 3333

**Plant Financial Controller**  
**c. £8500 & car plan**  
**Bristol**  
 This is a career development opportunity to join a highly successful operation as a key member of a plant management team. Bristol Commercial Vehicles operates two factories in Bristol employing some 800 people and generates a turnover of about £20 million p.a. It is part of the Passenger Vehicle Division of Leyland Vehicles Limited, which manufactures a range of buses and coaches which are in great demand in world markets.  
 Reporting directly to the Plant Director, with functional links to the Divisional Finance Director, you will be responsible for all financial and accounting activities within the plant. You will be leading a team of qualified, part-time clerical staff, working under pressure to a high degree of accuracy.  
 You will be a qualified Accountant (ACMA, ACA or ACCA) with at least five years progressive experience, some of which will most certainly be of a supervisory level, within a manufacturing industry. This is your opportunity to become head of the finance function of a large profit centre.  
 The starting salary will be negotiated from c. £8500 p.a. and the other benefits include the provision of a company lease car and generous relocation assistance if needed.  
 Please write in confidence, giving details of your age, qualifications, experience and salary progression to date, to:  
**Leyland Vehicles**  
 Passenger Vehicle Division,  
 P. A. Dickitt, Organisation and Financial Planning Manager,  
 Passenger Vehicle Division,  
 Leyland Vehicle Limited,  
 100, Watlington Road, Oxford,  
 Oxfordshire, OX2 4JL.

**INTERNATIONAL CORPORATE AUDIT**  
**Frankfurt based**  
**to D.M.70,000+ Excellent benefits**  
 Our client, is an expanding and diversified multi-national corporation with production and marketing facilities in thirty countries.  
 Following the expansion of the corporate audit function, the company seeks to appoint a Senior Auditor who will assume responsibility for supervising the audit procedures, both operational and financial. Travelling some 60% of the time throughout central Western Europe and Scandinavia, candidates will have the opportunity to return home each weekend.  
 Candidates will be qualified accountants probably aged 27-32, with at least two years post-qualification experience auditing large companies with advanced accounting and reporting systems. They will have the maturity and commitment to succeed within a highly motivated team, dealing with multi-disciplined senior management. Successful candidates will be able to communicate effectively in either German or both German and Swedish.  
 Prospects for promotion to line management positions within the group are excellent.  
 For more detailed information and a personal history form, please contact Neville Mills, A.C.I.S., or Howard Anos, B.A., as soon as possible quoting reference number 2489.  
 Commercial Indemnity Division  
 Douglas Lambirth Associates Ltd.  
 Accountants & Management Consultants  
 410 Finch Lane, WC2R 0EJ, London  
 122, St. Vincent Street, Glasgow G2 2RQ, Tel: 041 223 3101  
 2, Colville Place, Edinburgh EH8 7JL, Tel: 031 225 7744  
**DIA**

**INSTRUCTOR**  
 For a large multinational bank, to teach executive trainees destined for a career in international banking overseas. The appointee will involve himself/herself in teaching programmes on the Group's recently reorganised education programme in based in London. His/her teaching and organisational duties will be as follows:  
 Teaching  
 Initially he/she will be expected to teach the following subjects to Stage II level of the Institute of Bankers Examinations:  
 Applied Economics  
 Law Relating to Banking  
 Finance of International Trade  
 Organisation  
 The Appointee will be expected to help in the development of all teaching and training programmes as the training course for international trainees develops and also assist in the creation and development of training courses for UK-based staff.  
 The Appointee - will ideally be aged 30-35 and will be either a professionally-qualified banker with teaching experience or a graduate in the relevant subjects with extensive teaching experience.  
 Terms of service negotiable, but the Appointee will be offered a competitive salary plus the benefits associated with working in a large banking organisation.  
 Please send full details of qualifications, previous experience and present salary to:  
 Box FT/533, c/o Herway House  
 Clark's Place, Bishopsgate, London EC2N 4BJ

**A FINANCIAL TIMES SURVEY**  
**ACCOUNTANCY**  
**JULY 3 1979**  
 The Financial Times is planning to publish a Survey on Accountancy. The provisional editorial synopsis is set out below.  
**Introduction:** The accountancy profession is nowadays pre-occupied with the questions of standards. These have been issued by the profession for a decade, but increasingly the old order is losing credibility. The Watts Report outlines alternatives to the present system. Is it time the profession gave up the standards-setting role?  
**Craving for Leadership:** Chartered Accountants still talk admiringly about the great leaders of the past. Many say there are no leaders of their calibre at the top of the profession or even in prospect today. Is this because the big firms are turning away from the professional Institute?  
**Inflation Accounting:** The new Morpeth proposals are out and the debate has started again. Will accountants ever agree on an inflation accounting system? Prospects for developing Morpeth Mark II. Will the Government have to intervene again?  
**Auditing - the Growing Credibility Gap:** An accounting academic was heard recently to regret that he had not stayed in the auditing profession. Certainly auditing is widely regarded to be one of the most lucrative franchises in Britain today. But what is the value of a watchdog which rarely barks?  
**Company Accounting Policies:** Some of the less formal accounting policies adopted in company accounts during 1978-79. Currency translation, extraordinary items, inflation accounting adjustments in historic cost accounts are just some of the areas involved.  
**Accounting Firms - the Big and the Small:** Are "big" and "international" no longer quite so attractive? The shape of the UK profession in the eighties.  
**The Main Accounting Bodies:** Where is the Consultative Committee of Accountancy Bodies (CCAB) going? Are the Certifieds, and, to a lesser extent, the Cost and Management Institute, still playing the numbers game with their students?  
**The Small Firm:** With something like 9,000 individual accounting firms in Britain there is clearly a demand for the small firm. What is business like these days? How much does tax work contribute to fee income?  
**Education:**  
 For further information and details of advertising rates please contact:  
 Michael Hills  
 Financial Times, Bracken House  
 10 Cannon Street, London EC4A 3DF  
 Tel: 01-248 8000 Ext. 538  
**FINANCIAL TIMES**  
**EUROPE'S BUSINESS NEWSPAPER**  
 The content, size and publication dates of Surveys in the Financial Times are subject to change at the discretion of the Editor.

**TRAINEE CREDIT ANALYSTS**  
**Age 23-26 c£5,000**  
 A major American Bank offers superb opportunity to four ambitious young Bankers wishing to fashion a career in International Lending. Candidates should be Grade IV Clearing Bankers with Charged Securities experience, and the possession of the Bankers' Diploma would be a decided advantage. Formal credit training will be given, and successful applicants will work closely with a senior Loans Officer. Excellent prospects exist for rapid advancement, and long-term career development is assured. In addition to a competitive basic salary, the Bank offers substantial fringe benefits, including a significant annual bonus, mortgage facility, free lunches, n.c. pension and many others.  
 Please telephone, in confidence, Brian Durham  
**BANKING PERSONNEL**  
 41/42 London Wall, London EC2 - Telephone: 01-568 0781  
 (RECRUITMENT CONSULTANTS)

**Alexanders**  
**DISCOUNT COMPANY LIMITED**  
**MONEY MARKET DEALERS**  
 Due to our increasing involvement in the Domestic and Euro-currency Money Markets, we require two additional dealers to join our team.  
 Generous salary and other benefits will be by negotiation according to experience and proven ability. Applicants aged between 22 and 30 years with dealing experience in money or related markets are invited to apply to:  
 The Personnel Director,  
 Alexanders Discount Company Ltd.,  
 1 St. Swithin's Lane,  
 London EC4A 1SDN.

**FINANCIAL PLANNING**  
**Executives Required: Up to £7,000 p.a.**  
 An established Company in this field wishes to recruit further executives to supplement existing team. Previous experience in the financial field is desirable, but energy and application may override.  
 Please send brief details of career to date to:  
 Box A, 678b, Financial Times  
 10, Cannon Street, EC4A 4BY

**ACCOUNTANT BERMUDA**  
 Ref. 40934  
 Major Insurance Group requires a Chartered Accountant for their Bermuda office. Excellent conditions of service. Age group 27/35 years.  
**SALARY \$19,000 PER ANNUM**  
 Please telephone in confidence  
**TREVOR JAMES**  
**I.P.S. GROUP**  
 (Employment Consultants)  
 01-481 8111

**INSTITUTIONAL SALES**  
**Chemicals & Pharmaceuticals**  
 We are a firm of London stockbrokers who have recognised the increasing need for specialisation at all stages in the marketing of investment ideas to the Institution.  
 We currently seek a person of initiative with institutional sales experience to reinforce and broaden our client coverage in the Chemical and Pharmaceutical sectors. The successful applicant will join the existing small team, comprising a Partner and a Senior Analyst, who have already established a reputation in this area. Detailed prior knowledge of these sectors is not essential, although evidence of a capability to assimilate written technical research material will be necessary.  
 A competitive salary and profit-sharing package will be offered to the right person, and future rewards will match the success achieved. Replies in strictest confidence to Box A6800, Financial Times, 10, Cannon Street, EC4A 4BY with details of career to date.

# CJA RECRUITMENT CONSULTANTS

35 New Broad Street, London EC2M 1NH  
Tel: 01-588 3588 or 01-588 3576  
Telex No. 887374

Progressive and autonomous organisation poised for significant growth—prospects for Board appointment in 6-12 months and further advancement in the medium term.

## CJA GENERAL MANAGER—DIRECTOR DESIGNATE

LONDON £10,000—£12,000+ Car

LONG-ESTABLISHED IMPORTER AND DISTRIBUTOR TO THE HARDWARE AND ALLIED TRADES—SUBSIDIARY OF SUBSTANTIAL BRITISH GROUP

We invite applications from candidates, aged 35-50, with a demonstrable record in the control of a small organisation where all-round business and managerial skills are more important than formal qualifications. Responsibility to the parent Board for all aspects of the enhanced development of the company's activities. Experience in accounting and general administration is essential and will have been gained ideally in a demanding marketing environment. Total personal commitment is required coupled with an entrepreneurial but disciplined approach. It is intended that achievement will be reflected in the progress of the appointee. Initial salary £10,000-£12,000, profit sharing negotiable on Board appointment, car, contributory pension, life assurance, medical benefits and assistance with removal expenses where necessary. Applications, in strict confidence under reference GHDC3927/FT, to the Managing Director:

CAMPBELL-JOHNSTON ASSOCIATES (MANAGEMENT RECRUITMENT CONSULTANTS) LIMITED,  
35, NEW BROAD STREET, LONDON EC2M 1NH. TELEPHONE 01-588 3588 or 01-588 3576. TELEX 887374.

Opportunity for successful Credit Officer to further develop credit experience into the wider spectrum of new business development. Promotion prospects are excellent.

## CJRA EUROCURRENCY BANKING

### —ASSISTANT MANAGER £8,000—£10,000

CITY INTERNATIONAL CONSORTIUM BANK

Applications are invited from candidates, male or female, aged 25-30, graduates or equivalent, preferably A.B.S., who have completed at least 3 years' Eurocurrency credit experience and a full understanding of the associated documentation. Working as part of a small integrated marketing team, the main brief will be to provide credit support on both existing loans as well as assisting with the structuring of new business. Client liaison should be expected. An alert and personable manner are important, plus a flexible yet commercial outlook. Initial salary negotiable £8,000-£10,000 — house loan facility, personal loan facility, non-contributory pension, free life assurance and free personal and family BUPA. Ref. EB11341/FT.

Our Client also has a requirement for someone with a similar background but at a lower level. Initial salary in this case will be £7,000-£9,000. Ref. AM11341/FT.

Applications in strict confidence under the appropriate reference will be forwarded unopened to our Client, unless you list companies to which they should not be sent in a covering letter marked for the attention of the Security Manager.

CAMPBELL-JOHNSTON RECRUITMENT ADVERTISING LIMITED, 35 NEW BROAD STREET, LONDON EC2M 1NH.

Single Buoy Moorings Inc. has pioneered the design and development of floating offshore terminals for oil production, storage and transfer. SEM systems are installed and operating throughout the world. The company is growing rapidly in response to international demand for its products and offers an interesting career in a highly stimulating professional environment for an

## Experienced Contracts Lawyer

### BASED IN MONACO

Responsibility will be primarily for assisting the projects and sales departments in the presentation of offers and in the drafting and negotiation of the company's contracts with international clients, assisting the operating divisions in their preparation and interpretation of contracts with yards and suppliers, and providing legal advice on other matters when requested.

The successful candidate, male or female, will hold a law degree, preferably from an English or American university, and have a minimum of 5 years' experience in international contracts law and familiarity with capital goods contracts, ideally with a supplier or major service company to the oil industry or in the purchasing department of an oil company. Fluency in written and spoken English is essential.

Replies should be sent before July 15, with detailed cv and photo to:

**SPM** Personnel Manager,  
Single Buoy Moorings Inc.,  
PO Box 157,  
Monaco (Principality).

## Young Graduate Business Analysis

C. London to £7000

Our client forms the Headquarters of one of the world's most successful marketing and manufacturing organisations. They now require a young Business Analyst for a small department providing a vital analytical service to the marketing and manufacturing management.

You will form part of a team co-ordinating the group's manufacturing activities in response to changes in demand forecast by the marketing function. This will involve close liaison with senior executives responsible for the direction of their worldwide business.

If you are a young numerate graduate with 1-2 years marketing orientated business experience, and keen to move to a dynamic group, you will receive excellent training and can expect to benefit from the group's policy of rapid internal promotion. Financial and practical assistance will be given to acquire professional qualifications. Good communicative skills, high ambitions and an enquiring logical intellect are essential to your success in this challenging role. Please telephone or write quoting Ref. R11 2369.

**Lloyd Chapman Associates**

125, New Bond Street, London W1Y 0HR 01-499 7761

## HESELTINE, MOSS & CO.

LONDON — READING — OXFORD — NEWBURY — GLOUCESTER — CHELTENHAM.

Do you feel that your clients could be equally well served from a Country Base with excellent communications and normal London Dealing arrangements? We have opportunities at any of our five country offices where we feel we are uniquely placed in the South. In the first instance telephone Christopher Blount on Reading 595511 or write to him at Commercial Union House, 73a London Road, Reading, RG1 5DF.

## BOOKKEEPER

Male and ambitious Hebridean seeks new Horsham, East Sussex. Position with export business preference Salary c. £5,500.

Please write to:  
**Mr. Legg, Crosscoats Ltd.**  
14 Fenchurch Street, London E3 2JF.  
Telephone: 01-439 7418

## OVERSEAS OPPORTUNITIES

Our Client, a leading international company in Saudi Arabia, is seeking to fill the following positions:

### AUDIT MANAGER

c. £18,000 p.a.  
A graduate with 5 years broad auditing experience including 2 years as an Audit Manager. (Ref. T001)

### CAPITAL ASSET CONTROLLER

c. £12,500 p.a.  
A Business or Accounting graduate with 25 years' experience in Accounting and EDP applications. Experience in the operation of large-scale capital asset and inventory systems is desirable. (Ref. T002)

### SENIOR AUDITOR

c. £13,000 p.a.  
A graduate Accountant is required to perform all phases of audit work from initial contract to report. A minimum of two years' experience in a public accounting company leading to a Chartered Accountancy qualification. (Ref. T003)

Telephone Windsor 57824 (24 hour answering) or write quoting ref. to:

**CONSULT**  
A James A. White, Windsor, Bourne

## Area Manager Confirming House

The Company is a leading London confirming house forming part of a substantial and diverse international group with worldwide financial, trading and commercial interests.

Encouraged by the success of operations in its traditional markets, the Company has decided to appoint a further Area Manager to expand its activities in Spain and Latin America. To have the necessary background for this challenging role, candidates will probably have had experience in a confirming house or merchant banking environment, conducting business negotiations of a Senior level. A good deal of travelling will be involved and a thorough knowledge of Spanish is required.

The appointee, male or female, will be able to draw on the experience of the existing management team and on the resources of the various constituent members of the Group with their widespread international connections. An attractive compensation package will be negotiated with the successful candidate.

Replies containing brief career details should be sent to:-

**Mr. G. S. Peterken,**  
PH RECRUITMENT LIMITED,  
Suite 15, 7th Floor, 140 Park Lane, London W1Y 4AD

## Managing Director Designate

Pipework Fabrication

Five Figure Salary +

Our Client is a medium sized company with annual sales around £4m, engaged in the fabrication and site erection of high quality pipework for the oil, gas and process industries, and is a subsidiary of a profitable public group. Rapid recent expansion has resulted in the promotion of the present Managing Director and the need for an outstandingly competent successor. The same requirement is for someone aged 40-55 with substantial commercial and manufacturing experience preferably gained in a 200 to 500 employee

company operating in steel fabrication or a similar industry. He or she will lead a competent technical team in the optimisation of throughput and profit from a strong order book. Rewards will include a competitive five figure salary appropriate to this key post, a good company car, usual fringe benefits and generous assistance with relocation to the Company's Scottish headquarters, which are within easy reach of a wide variety of amenities. (PA Personnel Services Ref. GM 50/8943/FT)

Initial interviews are conducted by PA Consultants. No details are divulged to clients without prior permission. Please send brief career details or write for an application form, quoting the reference number on both your letter and envelope, and advise us if you have recently made any other applications to PA Personnel Services.

## PA Personnel Services

127 George Street, Edinburgh EH2 4JN. Telephone: 031-225 4481



## Sales Director Consumer Durables

c.£17,000

+Executive Car

Our Client, the rapidly expanding British subsidiary of a major international industrial group has generated a phenomenal increase in sales and profits since UK entry. They now seek a top sales and marketing executive:-

- To exploit and develop this expansion
- To lead, employ and administer all the resources of the UK sales operation
- To contribute factual, timely and accurate marketing input to the UK corporate plan.

You will be a gifted senior sales/marketing executive with not less than eight years' proven experience in precision engineered consumer

durables, preferably electrical/electronics. Three of those years will have been spent leading a sales team, preferably a graduate, with a formal qualification in Business Studies or similar, and a proven negotiator.

Location - Home Counties. Age limits 35-45. Candidates - male or female - should write in strict confidence, or telephone with details of career achievements, qualifications and present salary to Paul Simha, quoting reference number C7303, Jackson Taylor Executive Consultants Limited, Garden House, Dingwall Road, Dorking, Surrey, CR9 3RS. Telephone: 01306 8611 (24-hr. Answerphone).

JACKSON TAYLOR EXECUTIVE CONSULTANTS LTD.

(Search and Selection)  
Croydon - Manchester - Darlington

## Ambitious Manager for International Loss Adjusters

c.£15,000 Tax Free + Villa, car, pension etc.

The Gulf Having established itself as one of the major firms of loss adjusters in Europe, this UK based group is now intent on consolidating its presence in other parts of the world. They plan to open a network of offices to provide insurers with an on the spot service by experts with in-depth knowledge of local conditions.

The first of these offices has been set up in one of the most congenial parts of the Gulf as headquarters for the area and a Director/Manager is now required to head it up and develop its considerable business potential.

Applicants must be qualified to at least associate level of the C.I.L.A., be aged 30 to around 35, and have extensive general adjusting experience. Some experience of managing a branch office and some overseas claims experience would be plus points but not essential.

The company offers an attractive remuneration package including profit share, spacious fully furnished villa, car, 6 monthly U.K. leave, educational assistance, etc. Two year contract, renewable.

This position offers you a hard working but pleasant lifestyle and an opportunity to accumulate considerable capital savings. There are excellent career prospects and a suitable position is guaranteed when you return to the U.K.

Applicants should apply for a Personal History Form, quoting Ref. No. GM 244/FT to:

**W.S. Gilliland, Thornton Baker Personnel Services Limited,**  
Fairfax House, Fulwood Place, London WC1V 6DW.

Telephone: 01-405 8422.

A member of the Management Consultants Association

Personnel and Industrial Relations Consultants

## Accountant

Middle East £10,300 p.a. tax free

IAL, the international aviation and communications company, requires an experienced Accountant in the Middle-East.

You will undertake a wide range of accounting functions, including the preparation of monthly and annual accounts, cash flow forecasting and planning, monitoring expenditure and assisting in preparing the budget.

Aged, preferably, around 30, you should hold an accountancy qualification or equivalent, and have practical experience of managing an accounts office with all which that entails.

Starting salary will not be less than £10,300, tax free, together with very attractive company benefits.

If you're interested, please phone or write to The Senior Recruitment Officer, IAL, Aeradio House, Hayes Road, Southall, Middlesex. Tel: 01-574 3021 quoting ref. 101/5.

**IAL Aviation and Communications Systems and Services—worldwide**

## SOLICITOR SHIPPING FINANCE

Norton, Rose, Butterell & Roche invite applications from young Solicitors to join a team working in the field of Shipping Finance, covering the legal aspects of construction, ownership and financing of ships of various nationalities.

The work is demanding and interesting. Some experience of general commercial law would be an advantage but it is not essential, the prime considerations being initiative, the capacity to learn quickly and willingness to take responsibility. Some overseas travel may be required.

Apply in writing to:

**R. H. R. Clifford**  
Keinpsou House, Camomile Street  
London EC3A 7AN

## CENTRE FOR EUROPEAN AGRICULTURAL STUDIES WYE COLLEGE (University of London) RESEARCH OFFICER

The CEAS is increasing its research activities in the European agri-food industry sector, and is seeking to appoint a Research Officer to take an initiative in developing this field. This person will be a graduate and is likely to have had experience in organising economic or marketing research, although other academic or commercial experience may be relevant. He/she will have a good working knowledge of at least two European languages, one of which is English. The appointment could be made within one of the British University salary scales, or an academically related staff depending on age, qualifications and experience. Further particulars from The Secretary, Wye College, Wye, Ashford, Kent TN25 5AN. Applications to be received by the Secretary by 1st August 1979.

*Jeff Smith*

Handwritten note in Arabic script at the top center of the page.

# At BICC, Financial management is only the beginning for ambitious accountants

Short-term promotions are no good to today's pioneers of tomorrow's accountancy: true professionals — men and women with high-calibre experience to back their academic qualifications — need endless opportunity and constant challenge. And only an established international group with impetus and ambition can offer those criteria.

A group like BICC. Having established ourselves as world-leaders in the design and manufacture of cables and associated electrical accessories; and having become deeply involved in the refining and fabrication of metals, international civil engineering, and the advancement of communication technology, we are embarking on a major programme of growth, the success of which will depend on the quality of financial control and reporting which only top-flight accountants can achieve.

ment accounts, annual capital and revenue budgets and the half-yearly capital expenditure report, you will become increasingly involved in the computerisation of consolidation procedures. Aged between 27 and 32 and a qualified ACA/ACMA/ACCA you should have experience of collating management information — ideally in the centre of an industrial group.

ning and organising the interim and year-end consolidation of Group accounts, the analysis of all associated data submitted, and the incorporation of EEC Directives and company legislation into uniform accounting procedures. Aged between 23 and 27, you will undoubtedly be a graduate accountant looking for your first major opportunity in industry.

All these posts are based at our head office in London where you will be joining a young, multi-disciplined team in Group Finance. This department is concerned with all aspects of financial management, planning and control in a Group which has an unusually wide range of activities and presents every financial and accounting problem worth facing on an international scale.

Please write, with full details, to: **B. G. Weller, Chief Accountant, BICC Limited, P.O. Box No. 5, 21 Bloomsbury Street, London WC1B 3QN.**

## Systems Development Accountant

£9,000 — £10,500  
To improve and develop cost effective accounting systems and policies throughout the BICC Group. Aged between 25 and 30 and a qualified ACA/ACMA/ACCA, you'll probably be a graduate who has post-qualification experience in the design and implementation of accounting systems.

## Young Financial Accountants

£8,000 — £8,750  
You will be responsible for plan-

## Parent Company Accountant

£10,000 — £12,000  
Aged at least 30, and a qualified ACA/ACCA, your role will be essentially creative. Your prime tasks will be the implementation of improved procedures for the preparation of data for year-end and interim accounts, and the introduction of computerised

systems to replace the mechanised nominal ledger and manual 'in-house' direct debiting systems. Relevant experience is essential.

## Group Operating Accountant

£9,500 — £11,000  
Whilst your initial interest will be the preparation of monthly manage-



## Manager Project Financing

A major International Group, with an annual turnover in excess of £1000 million, is seeking a Project Finance Executive to be based at Group Head Office in central London.

He/she will join a young professional team which is responsible for the Group's financing operations both in the UK and overseas.

The successful applicant will work on the Group's worldwide contracting activities, carrying responsibility for the design and negotiation of finance and currency management packages required to support tenders for international contracts. He/she will also prepare appraisal reviews of major tenders for submission to top management.

Experience of ECGD, currency management and assembling finance packages is essential, preferably gained in a Merchant/International Banking or Corporate environment.

The appointment offers an attractive salary, incentive bonus, company car and the usual large company benefits. Applicants currently earning less than £10,000 are unlikely to have gained the necessary experience.

Please write in confidence giving full details of your age, qualifications, career history and salary progression to date, stating the names of any organisation to whom your letter may be sent, to: **K. W. Causton, Ref. 455/FT.**

## Whites

Whites Recruitment Limited  
72 Fleet Street, London EC4Y 1JS  
Offices: Bristol, Glasgow, Leeds, London, Manchester and Wolverhampton.

## Recently Qualified? MANAGEMENT CONSULTANCY LONDON

Our client is the Consultancy Division of a major international practising firm. The Consultancy conducts a wide range of exercises for industrial and commercial clients in both the private and public sectors. There is a strong systems bias and a structured training programme which, in the first year, would include a number of weeks in the U.S.

Candidates, aged 24-27, should be qualified accountants with a degree and a high level of academic achievement. A committed, motivated attitude is essential to identify with the firm which is keen to give successful candidates increased responsibility at the earliest opportunity.

Salary will reflect background and experience and income progression will be rapid for successful candidates.

For more detailed information and a personal history form, contact **Jon Tomlinson or Nigel V. Smith, A.C.A.,** quoting reference 2484.

**Douglas Lambias Associates Ltd.**  
Accountancy & Management Recruitment Consultants,  
410, Strand, London WC2R 0NS. Tel: 01-836 9501  
121, St. Vincent Street, Glasgow G2 5HW. Tel: 041-226 3101  
2, Coates Place, Edinburgh EH3 7AA. Tel: 031-225 7744



## COMMODITY BROKERS Outstanding Career opportunity in Australia

Robert Howes and Associates, Australia's leading Commodity Futures Broker, dealing on the London, New York, Chicago and Sydney exchanges, requires experienced commodity brokers.

The Futures industry is firmly established in Australia with gold, wool, boneless beef and live cattle already being traded. Currency, interest rate and silver contracts will soon be added. This is your opportunity to play an active role in the development of the industry and reap substantial rewards in terms of satisfaction and finance.

Australia offers a beautiful Mediterranean climate and a very high standard of living.

Robert Howes and Associates are offering:

- ★ An extremely attractive salary plus a full incentives package.
- ★ A challenging career with unlimited potential.
- ★ Travel expenses and assistance in relocation.

Please reply, giving fullest details of experience, age, education, salary and references to:

**General Manager, Robert Howes and Associates Pty. Ltd., 275 George Street, Sydney NSW 2000, AUSTRALIA.**

Telephone: 29 2911.

## Senior Internal Auditor

Rank Hotels operates a chain of luxury hotels in London, throughout Southern England and also abroad.

A Senior Internal Auditor is required to assist in organising the management service provided to the Division by the internal audit department, which takes the form of an independent appraisal and review of accounting, budgeting, financial and other operations.

Reporting to the Chief Internal Auditor you will have responsibility for other staff as required on the various projects that will be assigned to you.

We will expect you to be a Chartered or Certified Accountant with considerable auditing experience and it will be useful if this extends to sophisticated systems, accounting and/or computer. Applicants must feel confident that they have the ability to recognise and deal with the problems of senior management. There will be a reasonable amount of travel.

Salary is negotiable around £7,250, depending on qualifications and experience, and as you would expect of a company within The Rank Organisation, there are attractive fringe benefits and excellent career prospects.

For further details write or phone: **Personnel Manager, RANK HOTELS LIMITED, 51 Holland Street, Kensington, W.8. Tel: 01-937 8022.**

**RANK HOTELS**

## LEASING

A rapidly growing leasing company has a vacancy for a Marketing Executive. Experience in the leasing industry and/or legal and accountancy experience in personal or corporate tax matters is desirable but the main requirements are drive and intellectual capacity.

Salary will be above average but commensurate with experience and qualifications. There is also a profit-related bonus scheme.

Please reply in the first instance to **MARGARET SUTHERLAND, 16 DAVIES STREET, LONDON, W1Y 1LJ.**

## Fund Management UK Equity Portfolio

This senior appointment is to join an internationally renowned industrial company and manage the UK equity portfolio of its pension fund, which is controlled by a small London-based team.

Candidates, preferably late 20's to mid 30's, should have at least four years' experience in fund management, involving UK equities, and knowledge of fixed interest, gilt-edged and overseas equity markets.

Salary negotiable to £10,000; relocation help and other benefits.

Please telephone (01-629 1844 at any time) or write — in confidence — for a personal history form. **A. D. Russell ref. B.1294.**

This opportunity is open to men and women.

United Kingdom Australia Belgium Canada  
France Germany Holland Ireland Italy  
**MSL** New Zealand South Africa South America  
Sweden Switzerland U.S.A.

**Management Selection Limited**  
International Management Consultants  
17 Stratton Street London W1X 6DB

## £6,000 accountancy appointments £9,000

These advertisements appeared in the Financial Times on 5th June

Job Title	Salary	Location	Advertisers
Finance Manager	£7,000	Rural, Bucks.	Orlho
Management Consultant	£8,000 + substantial package	Nationwide	ICFC
Accountancy			
Divisional Accountant	£7,500 + Car	East Midlands	Hoggett Bowers
Chief Accountant	£8,000	Buckinghamshire	PER Oxford
Management Accountant	£7,500	East London	PER Chelmsford
Management Accountant	£8,000 + Car	WC2	Box No. A6780
Controller	£8,500	—	Churchill Personnel
Accountant	£7,500	—	Churchill Personnel
Accountant	£19,000	Bermuda	IPS Group (Consultants)
Chartered Accountant	—	London/Surrey	Box No. A6783
Chartered Accountant	—	London	F. H. Scobie & Assoc.
Management Accounting	£4,232/£8,432	Loughborough	Loughborough University
Group Accountant	£9,000 + Car	Luton	Ian Macintosh Intl.
Merchant Banking	£8,000	Central London	Robert Half
ACA	£8,000	Central London	Robert Half
Young ACA	£7,500 + Bonus	Bucks.	Robert Half
International Auditor	\$17,000	UK Based	American Express
Principal Auditor	£9,260 + Allowance	Tuvalu (Ellice Isles)	Crown Agents
Young Qualified Accountant	—	West of London	Taylor Woodrow Intl.
Young Chartered Accountant	to £7,500 + Benefits	London	Extel Recruitment
Group Accountant	£9,000	North London	Accountancy Personnel
PA to Chief Executive	£8,500	City	Senior Appls.
Accountant	£8,000	—	"
Supervisor	£8,000	—	"
Chief Accountant	£9,000 + Car	City	"

These advertisements appeared in the Financial Times on 12th June

Job Title	Salary	Location	Advertiser
Recently Qualified Accountant	£7,250+ (+Car)	W. London	David Clark Associates
Finance Management	£8,000 +	S. England	Personnel Advertising
Financial Accountant	£7,000 +	London	Royal Garden Hotel
Manager Inter-company	£7,500	Denham, Bucks.	Bank Xerox
Accounting			
Assistant Financial Controller	£7,750	Warwickshire	Overton Management
Accountant	Up to £8,000	Rural Surrey	Selection
Accountant	\$19,000	Bermuda	Trevor James
Ambitious Accountant	£8,500	NW London	(Consultants)
Insurance	£8,000 + Bonus	Surrey	Robert Half
Career Minded ACA	£8,000	C. London	Robert Half
Cost Accountant	£7,000 + Car	S.W. Essex	PER Chelmsford
Assistant Accountant	£5,000	S.W. Essex	PER Chelmsford
Management Accountant	£6,000-£7,000	Berkshire	Field & Sons
Management Accountant	—	SW4	UBH (Mechanical Services) Ltd.
Investment Accountant	—	Potters Bar	Albany Life Assurance Co. Ltd.
Assistant Cost Accountant	£5,000	Croydon	Listen on 01-499-9471

For further information see the FT of that date or telephone 01-248 8000 Ext. 526 or 01-248 5597

## Young Accountants Financial Systems on Minis

London or Manchester to £7,000

A multi-product industrial group, operating worldwide has recently standardised systems on advanced minicomputer with integrated manufacturing and accounting packages.

Two positions exist, one in London, the other near Manchester. You will initially receive comprehensive training in minicomputers and the financial packages so that you are able to implement systems in subsidiary companies throughout the South or North of England. A limited amount of travel to these subsidiaries will be necessary.

You will have 1-2 years industrial/professional accounting experience coupled with a mature approach — well able to communicate with management at all levels. Aged 24/35 you can expect to gain varied accounting and computer experience in this role.

Written replies will be forwarded unopened to the client unless addressed to our Security Manager listing companies to which they should not be sent. Ref. RG 2360.

## Lloyd Chapman Advertising

192, New Bond Street, London W1Y 0HN 01-499 7761

West London to £11,500 + car

## MANAGEMENT AUDIT

The Company The U.K. operation of a major international group, involved in the manufacture and supply of a wide range of industrial and consumer products.

The Job A new appointment, reporting to the Financial Director, and responsible for establishing management audit in a number of U.K. subsidiaries.

The Candidate A qualified accountant, aged from 30, whose audit experience could have been gained with a large professional practice, or in the internal audit department of an industrial or commercial group. Limited U.K. travel will be involved.

Fringe benefits are good, as are prospects for advancement. Relocation expenses will be paid. Brief but comprehensive details of career and salary to date, which will be treated in confidence, should be sent to J. G. Cameron, Executive Selection Division, Ref. C366 at the address below. Please include a daytime telephone number at which you may be contacted.

**COOPERS & LYBRAND ASSOCIATES LTD.**

Management Consultants  
Shelley House, Noble Street, London, EC2V 7DQ.

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## SUGAR ACTUALS TRADER

required by long-established International Trading House expanding its existing Sugar Department in London.

Experience in trading actuals is required, preferably in sugar, although experience in commodities like cocoa, coffee, metals etc. would be considered. Knowledge of French an advantage but not essential. Overseas travel would be involved. Salary/bonus is negotiable. Age of applicant ideally between 25 and 30 years. All replies will be treated in utmost confidence.

Please reply to Box A.6799, Financial Times, 10 Cannon Street, EC4P 4BY.

# Contracts Controller

South Coast  
c. £11,000

The Controller will report to the Managing Director and advise on the profitability of substantial contracts in the U.K. and overseas. This will require strengthening the existing systems and procedures to provide effective management information. Up to 20 per cent of the time will be spent out of the U.K.

The company, part of a major international group, has a turnover of £15m.

Candidates must be qualified accountants, aged over 30, and able to show a

number of years' experience in contract costing.

Fringe benefits are good and the starting salary will be negotiated to attract those with the highest expertise.

Applications, which will be treated in strict confidence, should contain relevant details of career and salary progression, age, education and qualifications.

Please write to A.C. Grompton quoting ref: 806/FT on both envelope and letter.

**Deloitte Haskins + Sells**  
Management Consultants  
128 Queen Victoria Street, London EC4P 4JX

# Finance Director

£18,000 + bonus, executive car and benefits

Our recent record profits have confirmed our re-emergence as a leading international office equipment manufacturer. Much however remains to be done to consolidate our market position and to develop further. We are now looking for a highly qualified Finance Director to join the main board of the Twinlock Group. The ideal candidate will be aged between 40-50 and will have a record of success as a Finance Director in industry with proven ability in the following areas: control of manufacturing and selling companies in the UK and overseas, cost accounting of manufacturing operations, computing, and evaluation of investments and acquisitions. In addition the post calls for considerable

commercial flair and the personality of the new director must be such that he/she will be seen as a dynamic and forceful leader both by staff and board room colleagues. The remuneration package is made up of a high basic salary, participation in an executive bonus scheme, quality company car and other fringe benefits associated with such a senior appointment. The job will be based at the Group's headquarters in Beckenham, Kent and reports to the Group Managing Director. Applicants are requested to write with full details to: The Managing Director, Twinlock Limited, 35 Croydon Road, Beckenham, Kent who will be happy to provide further details at that time.

Twinlock

# Group Company Secretary

up to £13,000 plus car

Farey Holdings Limited heads a group comprising a number of companies engaged in advanced engineering. The group is profitable, financially strong and planning expansion. Besides secretarial responsibilities the man or woman appointed will handle the group's legal, insurance and pension requirements. Applicants should therefore be Solicitors, preferably with 3 or 4 years post-qualification commercial or industrial experience, and some exposure to business acquisitions and property work would be an advantage. The person appointed must have the personal qualities

required to contribute at Board level and is likely to be in the age range 30-40. The appointment will be based at Heston in Middlesex. The remuneration package could be up to £13,000 pa. In addition a car will be provided and there is a non-contributory BUPA scheme and a contributory pension and life assurance scheme. Applications with full details of qualifications and career should be marked 'Confidential' and addressed to: The Finance Director, Farey Holdings Limited, Cranford Lane, Heston, Hounslow, Middlesex TW5 9NQ.



# Managing Director

## Vibration and Noise Control

Cementation (Muffelite) Limited is a well established and expanding Company in the field of vibration and noise control, primarily in the aerospace, engineering, electronic and construction industries, and supplies markets both in the UK and overseas. Based at Walton-on-Trent the Company employs 120 people and has a turnover of approximately £2 million per annum increasing.

Candidates, preferably aged 35-50, will be General Managers experienced at board level and already controlling a successful operation in an allied industry. The emphasis is on maintaining profit momentum both through organic growth and by acquisition.

Please send career details for the personal attention of The Chairman, Cementation (Muffelite) Limited, c/o Cementation Specialist Holdings Limited, Maple Cross, Nr. Rickmansworth, Herts.

# Leasing Brokers

London + Manchester c.£12,000 + car

A unique opportunity to join the financial side of an expanding group of companies writing substantial amounts of commercial vehicle leasing business.

You will probably be in your 30's and have a wide experience of financial affairs. This post could well suit a successful businessman, leasing or finance broker. Extensive contacts with private and corporate lessors would be an additional advantage.

The remuneration package will be tailored to the individual but will provide the successful person with a yearly income of at least £12,000 plus a company car.

Phone: Bruce Pope, (01) 235 7030, Ext. 31. (Answering service out of hours: (01) 235 6938).

PER, 4/5 Grosvenor Place, London SW1X 7BS.

Applications are welcome from both men and women.

# SETTLEMENT STAFF STOCKBROKING

We are a leading firm of stockbrokers on the Centre-File system who wish to recruit the following staff:

**SENIOR RIGHTS CLERK**  
An experienced clerk to join as a senior member of the team in our Special Settlement Division.

**MARKET ACCOUNTING CLERK**  
An experienced clerk is required to undertake market accounting under Tallman.

This is a permanent position and training will be given on Tallman if necessary.

To apply please telephone 01-236 3996

# TECHNICAL MANAGER

Edible oils and fats  
BRUSSELS, BELGIUM

Our company belongs to one of the leading processors of edible oils and fats in Europe. We are involved in the industrial development of vegetable oil and fats industries in a number of developing countries.

We need to strengthen our team with a qualified technical, or chemical engineer, preferably of British nationality, and willing to be permanently based in Brussels.

The function involves the preparation of technical engineering studies; evaluation, selection and costings of processes and equipment; selection of suppliers; guidance and supervision of detailed engineering work, as well as time-limited technical assistance missions overseas.

**The profile**  
The person we are looking for has proven experience in oils and fats processing, refining, margarine production and packaging. This experience should ideally include former responsibilities in plant construction and management. He should be aged between 35-45, preferably bilingual (English/French) and willing to travel extensively.

**The reward**  
The successful candidate will be granted a salary commensurate with his abilities and the responsibility of the function. Assistance in relocating from the UK to Belgium will be provided.

Please write, in confidence, with details of career and present remuneration to:

Mr. Chris P. Gerhardt, Managing Director  
BEFICO S.A.

Place du Champ de Mars, 5 - Boite 23  
B - 1050 Brussels, Belgium

Bayer UK Limited, part of the International Bayer Group needs a qualified Accountant for their Management and Financial Services Division in Richmond Surrey. If you are a qualified accountant this will be an excellent opportunity to make a real contribution to the company's future.

# Chief Financial Accountant - Surrey

Reporting directly to the Divisional Director you will be responsible for the preparation of consolidated financial accounts, management of the Accounts Department and developing and improving the accounting systems.

You should, preferably, have experience in a multi-divisional operation using computer systems and should display initiative and an ability to communicate with all levels of management. Preferred age, early thirties.

The salary is negotiable. Company benefits include company car, pension scheme, private medical insurance and relocation expenses, if appropriate. Please write or telephone for an application form to:

Mrs. E. Hubbick,  
Personnel Department,  
Bayer UK Limited,  
Bayer House,  
Richmond,  
Surrey TW9 1SL  
Tel: 01-940 6077

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# Investment Analyst

Applications are invited from men and women between 22 and 28 years of age to join a small department dealing with the investment of the Philips and Pye Pension Fund.

The job is to carry out a continuous reviewing programme of the portfolio of Ordinary Shares and to formulate and execute ideas for new investment.

A degree or equivalent qualification would be an advantage; some related work experience is necessary.

Salary will be commensurate with age and experience; attractive conditions of employment including over four weeks' holiday.

Please telephone for an application form or write with brief details to Personnel Department, Philips Industries, Arundel Great Court, Arundel Street, London WC2R 3DT, Tel: 01-836 4560 Ext. 504.



A FAST DEVELOPING INTERNATIONAL BANK invites applications for the following executive position:

**COMMODITIES MANAGER**  
Qualified applicants will have considerable operational experience and excellent relations in the field.  
Post will be based in Paris with extensive travelling abroad.  
The candidate chosen will be responsible for a large geographical area in Europe.  
Fluent French & English essential, other languages appreciated (German, Spanish).  
Remuneration and other terms of employment will be in line with best international banking practice.  
Candidates should send full correct details and salary history, which will be treated in confidence, to be addressed to Box F.1116, Financial Times, 10, Cannon Street EC4P 4DF.

# Group Financial Director

This is an opportunity to join the Board of a vigorously independent public group -- turnover in the £25m to £35m range -- and to contribute to its growth and diversification. Products are consumer and industrial; the brand name is universally known; technical and financial resources are strong.

The emphasis will be on central finance, control and general management contribution although funding and the secretarial function will be embraced. The infrastructure of control -- modern systems, profit centre organisation and in-house computing -- is well developed; the essential need now is high quality leadership in this area and an authoritative financial voice in the overall direction of the group.

Candidates, aged probably around 35, must be chartered accountants with successful experience, at least at financial controller level, in a relevantly sized manufacturing organisation which is strongly profit orientated. Starting remuneration about £17,000, exceptionally higher, plus car and other benefits. Location: easily accessible central Midlands.

Please write -- in confidence -- with brief career details to P. Saunders ref. B.211.

This appointment is open to men and women.

**MSL**  
Management Selection Limited  
International Management Consultants  
17 Stratton Street London W1X 6DB

# Finance Director Designate

## Engineering Products

The company, part of a UK £600m diversified group, manufactures products and systems for the international oil and gas industries. Turnover at around £22m is expected to reach £35m within two years, 40% coming from its US subsidiary.

The Finance Director Designate will be responsible for company finances and computer services and have functional control of divisional accountants at home and overseas. A key task initially will be to improve and co-ordinate financial and reporting systems. On satisfactory completion of 6 to 9 months' service a board appointment will be offered.

Candidates should be qualified accountants with at least five years' relevant senior experience in the engineering industry.

Salary negotiable around £11,500 plus car. Location Berkshire.

Please send brief details -- in confidence -- to David Bennell ref. B.43593.

This appointment is open to men and women.

**MSL**  
Management Selection Limited  
International Management Consultants  
17 Stratton Street London W1X 6DB

# HARROW COLLEGE OF HIGHER EDUCATION FACULTY OF SOCIAL SCIENCES (School of Business and Social Studies) Lecturer in Banking

Required from 1st September 1979, a Lecturer 1/11 (two posts), dependent on age and experience, to join a team of staff concerned with the teaching and administration of Banking courses, especially the IOB Stage II and Financial Studies Diploma.

The person appointed will be expected to contribute to the teaching of at least two of the following: Practice, Elements, Law, Relations and Investment for the Institute of Bankers' Examinations.

Applicants should be graduates and/or professionally qualified (AIB).

Salary at appropriate point on the Burnham Scale (1978) £3,192-£6,538 plus London Weighting (£474). An increase in the salary scale of approx. 10 per cent is anticipated.

Application forms and further details are obtainable from the Principal, Harrow College of Higher Education, Watford Road, Northwick Park, Harrow HA1 3TP. Tel: 01-864 5422, Ext. 33, to whom the forms should be returned within 14 days from the appearance of this advertisement.

# JOB WARNING

- You could be in danger:
- Of being in the wrong job
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  - Of not using sufficient of your talents
  - Of not getting the salary you deserve (this could easily cost £100,000 over a career)
  - Of not gaining the level of job satisfaction essential for your well-being

We can help you avoid these dangers by showing you clearly what your true potential is and what your ideal work situation could be.

We can help you find the right situation if you are in the wrong one. With the right advice for the right reasons.

For a confidential discussion with our commitment free, contact Hinn, 01-734 0752 or write to:

**Royston Ridgway**  
Career Management People,  
Kent House, 82 Regent Street,  
London, W1, and at Manchester

# NEGOTIATED ON TERMS

REQUIRED PART III  
Experienced in Business Finance  
Legal and Accountant  
Write Box 45781, Financial Times,  
10 Cannon Street, EC4P 4DF

# INTERNATIONAL PACKAGING

UK company seeks MD -- dynamic record in sales management for domestic & EEC markets. Send resume to Box 4,001, Financial Times, 10 Cannon Street, EC4P 4DF

*Handwritten signature*

Our clients, a leading company of City Stockbrokers, is seeking staff for its expanding Japanese Department

### Institutional Sales

The ideal candidate would be aged 26-30 with experience of servicing Institutional Fund Managers. Knowledge of the Japanese market would be an advantage, but is not essential as comprehensive training would be provided.

### Investment Analyst

To join a lively, go-ahead team specialising in the Japanese Market. The ideal candidate should be aged 26-30 and have good previous investment analytical experience, though not necessarily in the Japanese sector.

Salaries are negotiable but at fully competitive rates. Please contact, in the first instance,

DELLA FRANKLIN  
ALANGATE AGENCY  
Banking and Broking  
Recruitment Division  
01-248 4071/236 0691

All enquiries are treated in the strictest confidence

## Management Accountant - Analyst


### Berkshire to £8,500

Amper Corporation, a world leader in analogue and digital data recording technology, has been designated the official supplier of video recording and magnetic tape products to the 1980 Moscow Olympics.

This new post arises in the European Headquarters at Reading, reporting to the European Controller, with responsibility for the analysis of subsidiary company results, budgetary control and asset management. This is a challenging opportunity for a young accountant with an appreciation of multi-national accounting practice and reporting discipline.

Relevant experience and analytical ability are more important than formal qualifications. Some travel envisaged. Good pension and related benefits, plus relocation assistance.

Contact Clive Legg or Joan Feaver, Amper Great Britain Limited, Acre Road, Reading, Berks. Telephone 0734 85200.



### Lloyd Chapman Advertising

123, New Bond Street, London W1Y0HR 01-499 7761

## Credit Manager

### Career Opportunity West Scotland


Plans for further business development create an excellent opportunity for a professional Credit Manager in a company which is a major force in its sector of retailing where credit finance has played a key part in its success. The person appointed will report to the Financial Director and be expected to develop the credit function both in its systems and people in order to meet increasing needs. Candidates, male or female, aged 30-40, must be able to show a high degree of success in a credit management role in a retail business where customer relations are important. Experience of systems implementation would be a distinct advantage. Opportunities for advancement are particularly good either in this progressive company or the UK group of which it is part. An attractive salary will be paid to attract the calibre required, plus car profit share, BUPA and other benefits including help with relocation costs.

PA Personnel Services Ref: AA45/6937/FF7

Initial interviews are conducted by PA Consultants. No details are divulged to clients without prior permission. Please send brief career details or write for an application form, quoting the reference number on both your letter and envelope and advise us if you have recently made any other applications to PA Personnel Services

### PA Personnel Services

127 George Street, Edinburgh, EH2 4JN. Telephone: 051-225 4481



### MANAGER FOR LONDON SUBSIDIARY

Major bankers of wide experience are invited to join a newly formed bank intended to expand the whole range of banking transactions. Salaries and benefits to be discussed

### FOREIGN EXCHANGE 2ND DEALER

To assist chief dealer of a new s/s bank - London Branch. Must have experience in all currencies. Excellent prospects. Salary negotiable. Age 25+

### SENIOR BANKING ADMINISTRATOR

Far established City bank, to cover a wide variety of banking and administrative duties. Age 25+. Salary £7,500.

### SENIOR DOCUMENTARY CREDITS CLERK

For newly established London branch. Knowledge of F.X. transactions an advantage. Age 24+. Salary £6,500.

### ACCOUNTS ASSISTANT TO £5,000 P.A.

For leading company banker. Usual range of duties and computer input, good prospects.

### ACCOUNTS CAREERS IN MONEY BROKING

Two progressive opportunities for ambitious candidates new available.

### LOANS ADMINISTRATOR-UP TO £4,000 P.A.

Interaction position for someone with leading background in insurance, appropriate training given. Early 20s. Good prospects in expanding area.

### JUNIOR DEALER

Good opportunity for young person with F.X. background. Excellent to do into dealing.

### LJC Banking Appointments

01-283 9958/9 - for an immediate appointment


## Lending Officer

An opportunity to join the International Banking Department of Continental Bank.

We are looking for candidates with a proven record of corporate lending ideally in an American international bank setting principally with UK industrial clients. The successful applicant will have had a minimum of five years as an officer handling customer relationships, probably following a period of formalised training.

An attractive salary is offered together with an excellent benefits package which includes a low interest rate mortgage facility plus non-contributory pension scheme.

Please telephone for an application form or send cv to: Stephen Bourne, Personnel Manager, Continental Illinois Corporation, 162 Queen Victoria Street, London EC4V 4BS. Tel: 01-236 7444.



### CONTINENTAL BANK

Continental Finance, National Bank & Trust Co. Chicago

## GRADUATES '78

### are you disappointed with your job?

If you graduated in 1978 and are not happy with your present position you might be interested in working for Tradax, England, Limited, the international grain shippers and commodity merchants, who are affiliated to Cargill Inc., and thus form part of the world's largest grain trading organisation. Tradax is represented in forty countries throughout the world and has diverse trading and manufacturing interests.

We offer a comprehensive training programme and trading opportunities in grain, meal, sugar, oil, metal and freight for

### COMMODITY TRADERS

You will be working in our UK headquarters at Maidenhead, or our City of London office. An attractive benefits package is available including generous salary, non-contributory pension scheme and, where applicable, relocation assistance.

Applications should be made in writing to The Personnel Manager:

### TRADAX, ENGLAND, LIMITED

Tradax House, St. Mary's Walk, High Street, Maidenhead, Berkshire.

## Group Financial Controller

### West Midlands c £10,000+car

K. E. Millard & Co. Limited the parent company of a group of companies engaged in building contracting, speculative housing, property development and manufacture, with a turnover exceeding £10m wishes to appoint a qualified Accountant to take full responsibility for the financial management and accounting functions of the Group. The person appointed will report directly to the Group Managing Director and as a member of the Group Management Committee will be expected to make a positive contribution to the future development and expansion of the Group.

The successful applicant will have experience in costing, budgetary control, cash management and financial planning, preferably some of which will have been gained in a contracting organisation. Staff management ability and knowledge of systems are essential.

Please write in strict confidence giving full details of career to date including salary progression, to:

### G K Morrison Group Managing Director K E Millard & Co Limited



### Millard

Burnt Tree House, Burnt Tree, Tipton, West Midlands, DY4 7UE  
Telephone: 021-557 6232

## Deputy Accounts Manager

### For Lloyd's Syndicate

### c. £8500

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## COMPANY NOTICES

### C. ICH AP S CO. LIMITED

NOTICE TO THE HOLDERS OF THE REGISTERED DEPOSITARY RECEIPTS

Reference is made to the notice of the 20th meeting of shareholders of C. ICH AP S CO. LIMITED held on 25th April 1978. The directors of the company have decided to issue new shares of 100,000 shares of the nominal value of 100,000 shares of the company.

The directors of the company have decided to issue new shares of 100,000 shares of the nominal value of 100,000 shares of the company.

### ITO-YOKADO CO. LTD. (CDR)

Reference to the advertisement of 21st January 1979 the undersigned hereby announces that the new shares of 100,000 shares of the company of ITO-YOKADO CO. LTD. have been issued to the holders of the Depository Receipts of the company.

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### ASICS CORPORATION (KABUSHIKI KAISHA ASICS)

Holders of the 5 1/2 per cent Convertible Bonds 1983 of the above company are hereby notified in accordance with condition 5 (c) (v) and (xi) of the Bonds that the conversion price will be adjusted from Yen 628 to Yen 822.20 per share of Yen 50 with effect from 8th June 1979 (Tokyo time).

This adjustment results from the issuance of 5,430,000 shares of Yen 50 at Yen 470 per share effective from 8th June 1979 (Tokyo time) by way of public subscription in Japan.

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### BRASTLEW SA

Secretary of Investments  
NOTICE OF ANNUAL GENERAL MEETING OF SHAREHOLDERS

NOTICE IS HEREBY GIVEN that the Annual General Meeting of the Shareholders of Brastlew SA, incorporated in the Cayman Islands, will be held at the Regency Hotel, 1, Regent Street, London, W1B 2ET, on Friday, 15th June 1979, at 11.00 a.m. Eastern Daylight Time.

### PUBLIC NOTICES

## MANAGING DIRECTOR

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### BRASLEGAN LIMITED

INCORPORATED UNDER THE LAW OF CANADA  
NOTICE IS HEREBY GIVEN that the Annual General Meeting of the Shareholders of Braslegan Limited will be held at the Sheraton Centre, 122, St. James Street, Toronto, Ontario, Canada on Friday, June 15, 1979, at 11:00 a.m. Eastern Daylight Time.

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### LEGAL NOTICES

THE COMPANIES ACT, 1968  
In the Matter of CALARON LIMITED.  
Notice is hereby given that the Annual General Meeting of the Shareholders of Calaron Limited will be held at the Regency Hotel, 1, Regent Street, London, W1B 2ET, on Friday, 15th June 1979, at 11.00 a.m. Eastern Daylight Time.

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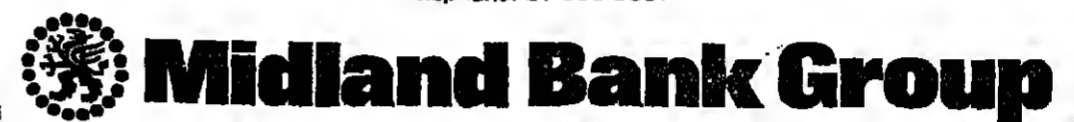
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Thursday June 14 1979

## Looking over the hill

THE INITIAL reaction to the Budget shows a mixture of realism and shortsightedness. The Government has chosen to confront our problems with a monetary target which is several points below the expected rate of inflation, and at a time when corporate liquidity is already under pressure. This threatens a squeeze in the short term far more painful to industry than for some time past.

real output available to provide real incomes. Breaking this psychology—which has in fact been done in some enterprises—means bringing home the realities of risk and reward, which apply in the long run as much to employees as to their employers.

### More expansive

This possibly forbidding outlook has aroused second thoughts among some of the Government's supporters, in the City as well as outside. They argue that a squeeze on its own might have stood a better chance than a squeeze combined with a structural change in taxes which would be to provoke equitarians.

The current combination of cost pressures, credit restrictions and a big rise in sterling will make the risks very obvious in concerns fully exposed to foreign competition. Elsewhere it could be a more brutal matter of resisting and defeating militancy. That is the unpleasant prospect for the near term.

### Whole-hog approach

If the problems are to be tackled at all there is one very strong argument for a whole-hog approach: the adjustment, though painful, is largely complete. This means that after a turbulent winter, the outlook could be very different. The full-year effects of the tax changes and expenditure cuts already made will achieve a further large reduction in the borrowing requirements without the need for further unpopular action.

### Reduce pressures

The new level of VAT will continue to supplement the revenue without any further shock to prices. This could provide a favourable setting for resumed growth, provided that hard experience has taught the meaning of life under real monetary constraint.

However, the upward pressure on sterling which has immediately resulted will itself, if sustained, compress margins and drive companies into heavier borrowing; and here there may be a case for a holder attack on exchange controls that had outlined on Tuesday. In particular, there seems little scope for restricting the finance third-country trade to merchants: it is banks which could readily mobilise the sums which would reduce pressures, balance inflows and indeed assist monetary control.

The Chancellor cannot expect, after a bold change of course through stormy water, to plough on with no change of trim. The coming months will be a challenge to alert financial management.

## A testing time for Turkey

THERE HAS been many a slip between the cup of the International Monetary Fund and the lip of Turkey. But finally yesterday, the IMF announced that the loan-agreement between the two had finally been declared. The 4.5 per cent devaluation of the Turkish lira on Monday had ended the differences on exchange rate policy.

But the weakness of the institutions involved in running the economy was glaringly apparent during the government's attempts to tackle the economic crisis. It is one of the reasons why the West, to Turkey's distaste, is seeking to involve itself in the country's planning. Further there is the question of whether either of the two main parties can provide the management which the Turkish economy needs. The opposition leader, Mr. Suleyman Demirel, has made it clear that whatever Mr. Ecevit does he will oppose.

The World Bank is expected to make a credit of \$150m available to Turkey, while a further \$1.2bn of aid and loans will be unlocked by an agreement between Turkey and the IMF: of this \$800m was pledged by OECD members two weeks ago and \$400m is expected from a group of Western banks. But the question remains whether this "emergency aid" and other funds will arrive in time to save the Government of Mr. Ecevit.

Delays It is a dangerous situation. So far the army has made it clear that it does not want a repeat of its involvement in politics in the martial law period of 1971-73—though some commanders, particularly in Istanbul, have been pushing for a harder line recently. The main opposition leader is the Nationalist Action Party, a militant rightist party, a number of whose supporters have been found guilty of murdering their opponents. This has not yet won strong support outside the provinces of Central Anatolia. It is not in a position to seize power, though Mr. Demirel makes it clear he would be prepared to form a fresh coalition with the NAP.

Economics was always his Achilles heel, and he inherited a full-blown economic crisis. Neither he nor his ministers came to full grips with the problems involved or acted boldly in the early months when their goodwill was high. Instead in their 17 months in office they have fallen at odds with almost all the groups that had voted for them in the 1977 elections. Trades unionists have seen some of their leaders arrested and promises to extend union rights not kept. Civil servants have seen their wages and savings eroded by inflation. Industrialists have seen the government unable to bring social peace or ensure the supplies of raw materials necessary for their factories; many are openly transferring their allegiances to the right-wing parties which allowed the economic crisis to develop.

In part the West has been slow in waking up to the full dimensions of Turkey's crisis. In part the delays are Mr. Ecevit's own fault. But now he only has a short time to prove that he has more than words to offer to solve Turkey's problems—a proof which is sorely necessary both to prevent a further erosion of his strength in parliament and of parliament's in the country.

# The reasons why I do not like the Budget

## ECONOMIC VIEWPOINT

### THE BUDGET IN A NUTSHELL

Effects on Public Sector Borrowing Requirement

	1979/80	Full year
Pension and Social Security increase	0*	0*
Cut in Public Spending Programme†	+1.5	n.a.
Cash limit curbs†	+1	n.a.
Reduced Contingency Reserve*	+0.25	n.a.
Conversion to current prices and other adjustments	+0.25	n.a.
Assets Sales	+1	n.a.
Total Expenditure effect	+4.0	n.a.
Indexation of the personal allowances ("Rooker Wise")	-0.9	-1.0
Further rise in allowances	-0.6	-0.8
3 per cent Basic Rate reduction	-1.3	-1.4
Higher rates: Rise in starting point and threshold, reduction in rates‡	-0.5	-0.9
Rise in investment income threshold	-	-0.2
Miscellaneous	-0.3	-
Total Inland Revenue Change	-3.6	-4.3
Unification of VAT at 15 per cent	+2.0	+4.2
Increase in Oil Duties	+0.4	+0.5
Total Customs and Excise change	+2.4	+4.7
Grand Total	+2.8	n.a.

\* Actual cost on non-indexed basis is £1.1bn in 1979/80 and £1.7bn in full year. To be covered by social security contributions and the contingency reserve.

† At "1979" Survey Prices.

‡ Partly non-announced indexation.

n.a. means "not available."

N.B.—Gains to the "Exchequer" are shown as positive, costs are negative.

Owing to the non-publication of expenditure changes on a comparable basis, the figures have had to be extracted on the approximate basis from the Chancellor's speech.

### Iran exercise

Not merely the weather was sombre when 300 leading British businessmen met in London yesterday. They had gathered for a seminar on the outlook for exports to Iran, which until the Shah's demise was a mainstay of our exports. One can understand her desire to avoid still further increases in the RPI. But the dilemma arose from sticking to the planned Income Tax, VAT switch in place of more important measures made necessary by world changes. The whole episode is an object lesson in the distinction between the social market economy and Conservative partisan preferences. The distinction which was obscured when Labour was in office under Mr. Callaghan, who denounced market forces without giving us the faintest idea of what he would put in their place, but giving the wrong

### Impression that anyone who favoured using them was

extreme Right-wing. But to come back to the inflation issue: if a risk is being taken with the RPI and there are no wage guidelines, it is all the more important to make sure that the monetary and fiscal limits are unmistakable and firm. Ministers believe that they stood up against very strong pressures to relax them. If so, this says something about the attitudes of the Treasury, the CBI and the economic establishment organ who presumably apply the pressure. The actual PSBR and money supply targets are almost exactly those of Mr. Healey. (The slight reduction in the monetary target for June to April, 1980; is offset by the overshoot in April and May this year.) It is hypothetical to argue whether Mr. Healey would have stuck to his guns had the IMF proceeding into the distance and new Treasury figures increasing the cost-political and fiscal—of so doing. The point is that some reinforcement was needed. It may be said that with so much inflation already in the pipeline the squeeze on the real money supply is extremely severe. A genuine problem does arise when there is a supposedly once-for-all increase in prices. Does one "accommodate" what has occurred at the risk of destroying credibility for all future declarations. Or does one risk putting an excessive squeeze on output, investment and em-



SIR DOUGLAS WASS, Permanent Secretary at the Treasury. SIR GEOFFREY HOWE.

more public expenditure is even more clearly misdirected in housing. The headline cuts do not touch the £1.5bn per annum of council rent subsidies (properly calculated, they are more, and clip only a bit off the £2bn spent on local authority home building and improvement. But it would be quite unacceptable to have a medium-term plan for a phased reduction in monetary growth. It is not a question of working out in the first few weeks of office a scientific plan which can never be adjusted. There is precious little science about the whole exercise.

Mr. Healey took the first step in publishing short-term monetary targets over the dead bodies of half his advisers. It is up to Sir Geoffrey to take the second step with longer-term ones—the more he waits the more he will be put off with obscuring detail. For those who are interested in political economy rather than partisan issues this is the present battlefield—just as it was once floating exchange rates and may be so again.

There has been little time so far to study the detail of the public expenditure changes. Perhaps it really was too late for more than a tougher interpretation of the "Joel Barnett" formula on cash limits, instead of realistic ones not based on an adjusted 5 per cent wage norm.

But a longer-term approach, even if it had not surfaced until next year, would have shown how to cut taxes genuinely, not merely switch them, and to do so in a socially acceptable way. The two areas where the state is providing massive subsidies without evidence of solid benefit—and much of economic waste—are "aid to industry" and "housing". It is notable that the supposedly "extreme" Sir Keith Joseph has put his foot down most firmly against quick symbolic economies in favour of longer-term phasing out of misdirected expenditure. The other area where even Samuel Britten

THERE ARE three group reasons why I don't like the Budget concerted with philosophy, tactics and economic strategy. But it might be simpler to start with one objective of Mrs. Thatcher's which I regard as abundantly justified: to achieve a reduction in the rate of inflation without resort to pay and prices controls or the more insidious temptation of wage guidelines, norms and the like.

The mere fact that wage controls do not have more than a temporary and self-reversing effect on inflation and cause untold damage in other spheres of policy will not prevent them from being used. The political, institutional, Whitehall, media and other pressures to take this course are enormous. A realisation that such controls are ultimately futile or damaging will not prevent a Government embarking on them if it finds itself with a wage explosion on its hands, and is desperately looking for quick relief.

The best way of avoiding the combination of runaway inflation ineffectively and temporarily tamed by wage controls is for the Government to do its level best not to get into this familiar dilemma in the first place. The successful avoidance of the familiar wages crunch would be such an important — and by British standards difficult and unique achievement, that it deserves the single-minded pursuit of the whole Government machine.

But the present Government had another objective of greater initial political sex appeal: the immediate reduction by hook or by crook of the basic rate of income tax. The fact that I do not share this particular Tory sibboleth is not the point at issue — a much more basic, long-term approach to tax reduction will be outlined later in this article.

The immediate point is that it is not always possible to pursue all objectives simultaneously. Ministers think they are giving equal stress to all objectives. But in practice the income tax objective has been given priority both over counter-inflation and the avoidance of an autumn or winter wage freeze.

We have, of course, been here before. Mr. Brendan Sewell, a former head of the Conservative Research Department and then advisor to Lord Barber, has explained how he tried and failed to persuade the incoming Heath Administration to downgrade its other objectives in favour of counter-inflation. When he saw how rapidly inflation was taking off.

looking at prices instead of net post-tax pay. But the world has changed radically. The likely 1979 rate of inflation is in any case at least 12 per cent. About half of this acceleration reflects higher world inflation — not only oil prices — and about half the fact that last year's 8 per cent inflation figure was a deceptive one, due to temporary factors — such as a much faster rise of wages than prices and a fall in real commodity prices — which could not have been expected to continue.

Changes in the inflation rate are as important as the rate itself. With the recorded rate of price increases moving up from 8 to 12 per cent, the prime task of economic statesmanship has not been to convince unions, employers, investors, foreign exchange dealers and the rest of us that this was not the beginning of a new acceleration towards the 20 per cent plus rates of the 1970s. Measures which are expected to raise the year-to-year price increase to 16 per cent if we are lucky — are not calculated to achieve this result. A great deal of this change in the inflation outlook took place over the election period after the present economic Ministers had already received their marching orders.

The prime task is not whether VAT should have some up to 15 per cent — slightly less. If I had been in Whitehall and had failed to get the strategy changed, I should have supported the 15 per cent rate on the grounds that one might as well be hung for a sheep as for a large lamb. The point is that it is the wrong sheep.

The shift to VAT has had another unfortunate effect — perhaps as important as that on the inflation prospects. Sir Geoffrey Howe began his Budget speech with some crisp words on the need to shift from managing demand to improving the supply side of the economy, words which would have been extremely impressive if we had not heard them at the start of each new Administration since 1983, if not earlier.

Unfortunately his actual measures to improve supply hardly went beyond the long-overdue reduction to 60 per cent of the top rate of tax earned income with corresponding adjustments lower down. This was about the least that a newly-installed Conservative Chancellor with a resounding majority could have done on an issue where political pressures and prejudices for once pointed in the same direction as the national interest. Many Labour Chancellors would have done the same if they dared.

But the major and specific change on the supply side, which the Government should have taken to raise all energy prices to the oil equivalent price level. The essence of a market economy is the use of the price mechanism — that is, changes in relative prices — to discourage the consumption of resources which have become scarce and to encour-

## MEN AND MATTERS

### John Pardoe — after the break

"I have never ever allowed myself to become a one-track mind," said John Pardoe philosophically. "Full time politicians are incredibly boring people — like Tony Benn and Harold Wilson... Dreadful." The former Liberal spokesman on economic affairs paused to consider the sheer awfulness of the idea.

Outsted from his North Cornwall seat at the general election, he has just become joint managing director of Sight and Sound Education, an international clerical and secretarial training organisation which he claims is the largest in the world. He also remains a director of Gerald Metals.

More significantly, perhaps, he is — like Shirley Williams — taking up a part-time post at the Policy Studies Institute, where he tells me he is reading everything that has ever been written about incomes policy. Tory policy he describes as "hokey"; "I shouldn't be a bit surprised if there's a freeze before the end of '79. Some-

### Iran exercise

body has to prepare the crowd." His study, which is to be published by the PSI, will, he modestly assures me, be "the definitive work" on incomes policy.

### Staying mobile

Austria is suffering a minor raid on her oil reserves by the Russians. The car-ferrying Soviet President, Leonid Brezhnev, has air-freighted his black Rolls-Royce to Vienna for this week-end's summit with President Carter. The shipment includes a quantity of Soviet Zils and several Mercedes. "It will depend on him which car he uses in Vienna. Maybe the other cars are needed for other members of the delegation," a Soviet spokesman said vaguely.

Conspicuous by its absence from the fleet is the Cadillac Richard Nixon added to the presidential collection in 1973, and the Lincoln Continental Brezhnev received a year later. Perhaps he felt it better not to offend Carter's sensibilities with this motorised reminder of his predecessor.

### Bob's £70,000

Secretary-general Robert Steel may find it difficult to sit still at his desk on Monday, when he gets back to work at the Royal Institution of Chartered Surveyors in Parliament Square. This weekend he will have completed a 1,000-mile walk from John O'Gratts to Land's End, raising in the process nearly £70,000 for the institution's benevolent fund.

Steel, aged 59, has given up his annual holiday for this sponsored walk, during which he has averaged almost 30 miles a day over hills paths, forest tracks and public footpaths. He has the satisfaction of establishing a British record for the money raised by a solo walker.

Meeting him at Land's End will be Viscount Falkland, and the president of the institution, Peter Grafton. Also there will be Robert Caton, of the RCIS Benevolent Fund. "Money has

pour in from our 50,000 members, in response to Bob Steel's effort," says Caton. "A lot has come from Canada and America." He assures me, as well, that there are many elderly or jobless surveyors in need of help.

### Art injection

A week ago, Norman St. John Stevas told heads of the Arts Council that funds from Government might have to be restricted, and so it has turned out. But he also promised that efforts would be made to stimulate further sponsorship of the arts by business, as a compensation.

### Check-out men

The post-Budget spending spree has its unnerving side. Credit information in Manchester, which is the doctory guardian of 10m items of information—county court judgments, bankruptcies, attachments of earnings—tells me his telephone switchboard was jammed all day yesterday with calls from nervous store managers. "We are having to stay open late on Saturday and all day Sunday to process the inquiries." Apparently the spending boom, or at least doubts about creditworthiness, has so far been more pronounced in Scotland and the Midlands than in London.

### Bakerloo chivalry

A housewife of my acquaintance boarded a crowded Tube train with two heavy bags full of shopping. After she had stood for several minutes, a youth sitting near her said sympathetically: "Don't worry, love, they'll all get up at the next station."

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*John Pardoe*

# Tackling the telephone tangle

A MOST important and difficult industrial task facing the new government in Italy is to lead its telecommunications industry through a collision of multinational technology and national interest.

It is a conflict familiar to France, Germany, and the UK which have all watched their telephone systems become obsolete under the pressure of computer technology. In all three countries the response has been overwhelmingly nationalistic to develop their own systems behind the palisades of protectionism.

The peculiar organisation of Italy's telephone system—based on a five formerly autonomous zones—has, however, prevented a purely chauvinist approach. Three multinationals, ITT (International Telephone and Telegraph), L. M. Ericsson and General Telephone Electronics, are entrenched with between them about half the market for switching equipment. So the battle between conflicting systems, which in France and Britain was fought behind committee room doors, has in Italy, owed into the open. Because the strength of the multinationals in Italy the realignments which many observers think inevitable may well cause important effects to spread throughout Europe.

The issues at stake are becoming important to the Government because the telecommunications service is the largest single investor in new equipment—and the manufacturers' major employers, especially the depressed southern zones. Moreover public pressure is beginning to be felt by the 1m people who are being to wait a year on average to be connected to the telephone network. Many thousands of jobs are at stake by the new computer technology, which it is limited, will require only a rd of the direct factory

workers compared with the numbers making the older electro-mechanical exchange equipment. Overall employment is expected to be reduced by about half. Of the 37,000 people employed in switching, perhaps 15,000 will have to go in the next decade.

The Italian administration, like those in almost all other European countries, pins its hopes on increasing exports as a way of saving some of the jobs which would otherwise be lost. And like most other developed countries, it has to decide whether to build these hopes on a nationally designed system or whether to use national purchasing power to lever the best deal possible out of one of the multinationals. The Italians have decided on a compromise which conceptually is less tidy than the solutions preferred in France and the UK, but not necessarily less workable.

In France, the Government forced the two multinationals, ITT and Ericsson, to sell out their main subsidiaries to Thomson CSE which used the plant and the expertise acquired to develop its own computer controlled exchange system, in competition with that of CIT-Alcatel. In Britain, the Post Office has corralled the ITT subsidiary, Standard Telephones and Cables, into a joint development programme with Plessey and the General Electric Company of the famous System X family of computerised exchanges.

The Italians have allowed the three multinationals to adapt their own systems to the requirements of the Italian market, while the state-owned SIT-Siemens (nationalised after the war) has embarked on the difficult job of developing its own system from scratch.

The already congested market has been further complicated by the emergence of a fifth company on to the switch-

### ITALY'S TELEPHONE SWITCHING SUPPLIERS

(Share of total lines installed 1977)

SIT-Siemens (Italian state-controlled)	57
General Telephone Electronics (U.S.)	13.3
FACE (ITT subsidiary, U.S.)	15.3
FATME (L. M. Ericsson, Sweden)	19.4

Source: FATME

ing scene. Telettra, a subsidiary of Fiat, which has hitherto confined itself to transmission equipment. The computer techniques used in transmission have, however, led Telettra towards the development of exchanges for the public telephone network.

The state controlled telephone operating company SIP and the industry ministry have both said they would like to see fewer separate systems in Italy, but the question of how this should be achieved is far from being resolved.

Yet if Italy is serious about wishing to obtain a slice of the fiercely disputed international market for computer controlled exchanges, it would seem that some rationalisation is inevitable and urgent.

Dr. Giancarlo Lizzeri, special adviser to the ministry who has just completed a 500 page study of the industry, believes re-organisation is long overdue. He thinks the industry is likely to come under increasing political pressure as ministers begin to understand the enormous social and technological changes which the introduction of computers is causing.

It is one symptom of this lethargy that the politically unpopular decision to raise telephone tariffs has been shelved so long that SIP is facing serious losses and has been forced to make a 35 per cent cut in its investment programme during the first part of

rapid advance of micro-electronic technology. The development costs for most modern systems have been around \$400m to \$500m, and almost all the development programme have run into fearsome problems in making the jigsaw of computer programmes fit together.

It is hardly surprising, therefore, that all three multinationals in Italy are general years ahead of SIT-Siemens. Ericsson has enjoyed a wide success selling its AXE computer controlled system, which it is now modifying to become fully digital. That means that in addition to computer control of the switching sequences, the telephone conversations themselves are converted into the digits (pulses) of computer language. When this stage is reached, electrically operated mechanical switches can be dispensed with altogether. Instead, telephone calls in digital form can be switched in the microscopic circuits of a computer itself.

Ericsson's Italian subsidiary, FATME, is already able to make the larger AXE exchanges in fully digital form to meet the special requirements of the Italian network. Fully digital local exchanges are also likely to be available soon.

Similarly, ITT's Italian subsidiary, FACE, will be able to offer an Italianised version of the fully digital System 13 which is being developed by ITT on a worldwide basis. GTE can also draw on a comparatively long experience of digital systems from its U.S. operations. Its task in Italy would therefore be adaptation rather than invention.

That leaves the two Italian owned companies SIT-Siemens and Telettra, whose expertise is in many ways complementary. SIT-Siemens has long experience, based on a licence from German Siemens, of making electro-mechanical

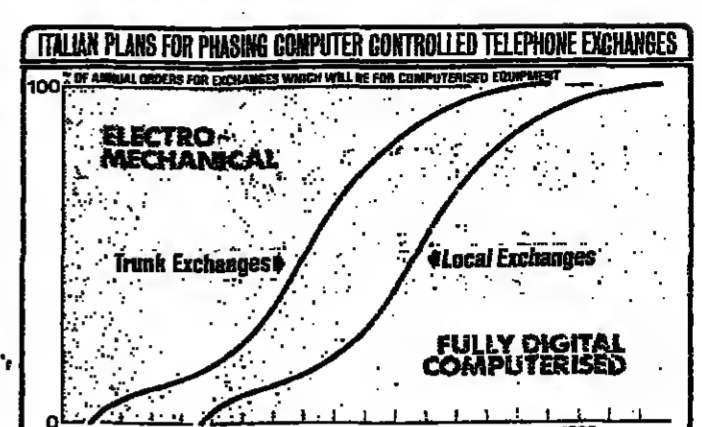
exchanges. Telettra, on the other hand, has grown rapidly by exploiting its skills in electronics, but has very little experience of telephone switching.

Both companies have been pursuing parallel developments in electronic switching. However the main thrust has been the programme for a series of exchanges called Proteo. The early versions of Proteo are small terminal exchanges which are not fully digital. However, Dr. Giorgio Villa, managing director of the company, says he expects a fully digital version to be available by 1982-83. In official circles, however, doubts have been expressed about whether the company will in fact be able to keep to its timetable. And although the company has so far funded the \$150m development programme itself, there is more than a little anxiety whether it can stay the pace alone against the experienced and heavyweight international competition.

If, for example, Fiat, through its subsidiary Telettra, should form a joint venture with GTE, SIT-Siemens would be faced with a formidable competitor in financial, technical and political dimensions. Telettra has been talking to GTE, and even signed an agreement for technical co-operation whilst at the same time conducting delicate negotiations with SIT-Siemens.

It now seems probable that a three-way technical link up will be agreed, designed to produce a single system for the Italian market. However, it is less clear whether this can be achieved by an exchange of technology alone, or whether some tighter financial and managerial binding will be needed.

One possibility, said to have been discussed informally, would be for Fiat to take the lead by offering to buy GTE's subsidiaries in Italy and possibly also those in Spain and Belgium. However, both



companies deny that this is the subject of serious negotiations. Strong behind the scenes political pressure might be needed to achieve so dramatic a re-organisation, but the Government does hold the trump card of ultimate power over the flow of funds into the industry.

The state-owned operating company, SIP, can also place orders where it wishes. So far, however, SIP has played a relatively passive role. It has said that it would like the suppliers to rationalise, but meanwhile it has indicated that it does not expect to make any major changes to market share for switching equipment.

The major constraint on SIP's freedom to change its ordering pattern is that any reduction of orders to one company could lead to a catastrophic loss of jobs in some parts of Italy.

However, the official policy of pressing the multinationals to export more appears to be having some success. For example FATME, the Ericsson subsidiary, has increased its exports from only 3 per cent of sales in 1976 to an expected 15 per cent this year. Moreover Ericsson has agreed to make FATME one of its main centres

making computer processors for the large AXE exchanges. Although the AXE will eventually be replaced by the Proteo family, this business is expected to last up until 1987.

A considerable proportion of FATME's exports are in fact a direct result of its parent company's decision to order equipment from Italy rather than to make it in Sweden. Such production decisions will in future have a large political element in all companies during the next few years, and not in Italy alone.

Since the Italian Government's strategy depends crucially on promoting exports from the telecommunications industry, it is confronted with a delicate dilemma. Should its main emphasis be to press Ericsson, GTE and ITT to use their technology and international marketing strengths for Italy's benefit? Or should it channel its energy into helping SIT-Siemens achieve a position from which it could be a credible competitor of its own fully computerised system? For even if the system failed to be exportable, it could still be used as a lever in the multinationals to improve their exporting performance.

### District heating

on the Chairman, P Group Consultants.

Mr. Neil Muir (June 7), says once again to the primary risk-saving target: Combining heat and power generation, together with incineration of municipal garbage, could save to £2bn a year. All other us for energy saving are uscular by comparison.

The recent conference in Edinburgh of the Union of European Heat Distributors (UEHD) showed vividly how successful this technique can be. An organisation has more than 200 members and operates 3,000 district heating schemes, many of which are joined heat and power (HWP). Although full statistics are not available, there must be half a million families enjoying up heat and power, and several countries producing this of energy are making very substantial fuel savings.

The ratio of heat to power is 1.1, and CHP makes use of all increments. Single purpose electricity generation wastes the heat. Mr. Muir holds the electricity industry to blame. There is, he says, an odd dichotomy. At a recent conference in the UK, Mr. Muir of the Electricity Council said there is no disputing the Council recognises a need for diversion of wasted heat to useful purposes—and went on to discuss steps in an attempt to achieve complete acceptance.

At the same conference, Mr. Muir of the Central Electricity Generating Board defended his paper to an admission conversion, even of the best turbo-alternator sets to CHP, is economic and ethical.

In spite of this very considerable change of attitude by the electricity industry and the Energy Board in Hereford where CHP is being installed, there is other obvious move to begin action needed, unless serious steps are made by other industry bodies asking for implementation of the proposed new Act, which is not prepared to get there, then it should go as

use of fuel and nuclear power with continued waste of two-thirds of the heat generated. If this were well enough recognised and well enough understood by the electorate, a referendum would leave little doubt about preference. No research is needed, no more and rather less pollution would result; employment would be widespread, not concentrated as with nuclear burning.

The Marshall Committee's final report on CHP is due to be published at any moment. The majority of the membership represent the electricity industry and many of us wonder how this dichotomy will show itself in the report, wonder with some apprehension and some amusement at the dilemma facing the Electricity Council after so many warnings.

Mr. Muir, Chairman, CHP Group Consultants, 1, Brazenose Street, Manchester.

### Rationing petrol

From Mr. C. Bingley

Sir.—Your editorial (June 12) on energy policy is quite right in its comments on conservation.

You might have added that where a reduction in consumption of only 5 per cent to 10 per cent is required to ensure that fuel stocks go round—hardly more than the eradication of fuel-wastage—coupon rationing for the private motorist can make a useful contribution to conservation.

Rationing allowances can be quite generous, but the advantages to fuel-conservation are twofold. With a known petrol allowance, a motorist can plan ahead and cut out unnecessary short trips. Rationing should prevent garages running out of fuel, so that driving round and round in search of an open garage and then queuing while the engine running would be avoided. Making the lowest denomination of coupon for two gallons would also cut out much of the topping up which is currently and unnecessarily depleting garage stocks. I speak with feeling, having recently wasted nearly a gallon of petrol in vain search of an open garage in west London.

Clive Bingley, 16, Pembroke Road, W11.

### Fuel and the railways

From Mr. R. Houghton

Sir.—Mr. P. R. Warner (June 11) raises one of the great "ifs" only of the post war era. If only we had established a think tank to at least look at the enormous industrial and social development that has taken place, our railways could have been developed to carry all the long haul freight which now goes by road and which now by implication is using so much diesel.

The statistics quoted by Mr. Warner (also June 11) serve to illustrate the savings that could have been made. Is it too late to take imaginative steps to cope with the problem? It is unlikely that the next 30 years will see much reduction in industry's long range haulage called "going" rate for other requirements both internally

### Letters to the Editor

and from the ports. A proper development of the railways with this object in mind, must surely be one of the answers for the future.

May I add a further point of my own, commenting on the decision by Swedish railways to reduce rail fares by 30 per cent? If British Rail were to increase its profits it should consider the merits of filling the seats of long-distance trains, so many of which we can see for ourselves remain empty, by reducing rather than raising the cost of fares. Not only would this help to fill the trains but it would take some of the petrol-eating motorists off the roads and thus provide at least a double benefit.

R. W. Houghton, Tood Hill, Hants, Bridgwater, Somerset.

### No policy for energy

From Mr. N. Boyle

Sir.—Despite its title, your leading article of June 12 does manage to mix faint praise with criticism of Mr. David Howell's policy, as you seem reluctant to come down too firmly on either side of the fence, separating "market economy" from planning and state intervention. But this leads you into, adopting some astonishing postures.

You urge "cosmetic" restrictions upon energy use, even though you admit that "the actual savings might be relatively small." Do you also believe that the costs and inevitable rigidities of a control system would be negligible?

You call for a "statement of energy situation overall," not just now but in ten years' time. Have you forgotten that previous attempts by IMG to peer into the future have been falsified almost before the ink was dry?

Official energy policy in the 1950s assumed that crude oil would soon become scarce and expensive. In fact, for the next decade, it was both plentiful and cheap. Again, just before the 1973 Organisation of Petroleum Exporting Countries crisis, the responsible department opined that oil prices were likely to remain steady or even fall in real terms in the foreseeable future.

No, Sir! Mr. Howell is to be congratulated on his firm refusal to be stampeded by the interventionists—including, alas, some in his own party—as well as the upper ranks of industry. Mrs. Thatcher's Government was elected precisely to turn its back upon the years of Socialism, whether of the Labour or Conservative variety.

Neville Beale, Chelsea Towers, Chelsea Manor Street, SW3.

### Paying out at the bank

From the Honorary Membership Secretary, Standard Chartered Bank, Banking Insurance and Finance Union

Sir.—The clearing banks' latest pay offer to staff of 11 per cent new money plus £200 extra allowance for inner London (worth a further 4 per cent) on a salary of 25,000 may seem generous in terms of the so-called "going" rate for other requirements both internally

GENERAL

UK: Sir Keith Joseph, Industry Secretary, speaks at Engineering Industries Association Luncheon.

Labour Party publishes Shadow Cabinet list.

Mr. Gordon Richardson, Governor of the Bank of England, gives Henry Thornton lecture at City University.

Harvard Business School sixth European conference, London.

NALGO conference continues, Brighton.

COFES conference continues, Brighton.

Scottish Area NUM debates pay, Dundee.

### To-day's Events

Prince Philip opens Department of Industry symposium on use of wind-assisted ships, London.

President Daniel arap Moi of Kenya gives banquet for the Queen, Carlisle.

Council of Engineering Institutions publishes report on professional engineers and the trade unions.

Metropolitan Police annual report published.

Banking and Finance Study Group of the Operational Research Society meeting on electronic funds transfer, London.

Princess Margaret's jewellery sale, Sotheby's.

Memorial service for Sir Leo Baeke, Marble Arch Synagogue, 8 pm.

Overseas European Central bankers meet in Basle (last day).

Indian Prime Minister Morarji Desai starts three-day visit to Poland.

King Juan Carlos and Queen Sofia of Spain start three-day official visit to Morocco.

Colombian President Julio Cesar Turbay Ayala concludes official visit to Paris.

OFFICIAL STATISTICS

Survey of short-term export prospects (to end of 1979). UK banks' assets and liabilities and the money stock (mid-May). London dollar and sterling certificates of deposit (mid-May).

PARLIAMENTARY BUSINESS

House of Commons: Budget debate, third day.

House of Lords: Four private Bills, Marriage (Enabling) Bill, second reading; Kirtland Independence Bill, second reading; COMPANY RESULTS AND MEETINGS

See Company News on Page 30.

## NEW ABBEY NATIONAL OPEN BONDSHARES

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3rd year	9.00	9.00	9.00	9.50
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# Westland back to profit with £5.2m at midway

A PROFIT of £5.2m has been achieved by Westland Aircraft in the half year ended March 31 1979. This follows a turnaround from a profit of £5.8m to a loss of £2.36m in 1977-78 but these results were struck after losses and provisions of £16.2m (£8.5m) on the Lynx helicopter and Super 4 hovercraft.

This is the first time that interim results have been published and Lord Aldington, the chairman, says it should not be assumed that there is any normal pattern between a full year's result and that for the half year.

Trading in the first half has been satisfactory throughout the group both in turnover — which totalled £57.19m — and profit. Provisions at September 30, 1978 for the Lynx and Super 4 seem certain to cover all related costs, says the chairman.

The half year profit is subject to tax of £915,000 (minority of £483,000) and an extraordinary item of £1m. This latter figure is to meet any damages in case a High Court judgement against the company is upheld. This is in respect of a dispute with Vickers over the basis of settlement of a contract for the building of two Lynx helicopters.

Judgement was given on June 6 on the preliminary question of whether a contract was made in or about 1978 at a defined price as alleged. The Board intends to appeal.

An analysis of turnover and trading surplus of £5.56m by activity shows £100m omitted;— helicopters £97,887 and £3,318 hovercraft £1,094 and £282 loss, environmental control etc, £10,535 and £1,710, doors £4,568 and £379, and other products £3,405 and £438.

The attributable profit came



Lord Aldington, chairman of Westland Aircraft

through at £5.81m and earnings per 25p share are stated at 4.7p. An interim dividend of 1p is declared — in 1977-78 only a final 1p was paid.

Referring to the Egyptian helicopter business, Lord Aldington said yesterday: "The legal position is that the contract remains. But we are aware of the views of various parties who would like to see changes."

He added that Westland had a "good understanding relationship with both sides of the dispute" and said that there was no cause for concern about the financial position of the contract at present. "There is no reason to believe that we will be left with no Lynx orders from the Arab states."

## HIGHLIGHTS

Lex dissects the cause of the row that broke out in the gilt-edged security market yesterday over the pitching of the price of the long tap. The column examines Westland which has broken through by issuing an interim statement. Halfway profits amounted to £5.2m before tax. On the bid front, the fast-moving dealing vehicle Birmingham and Midland Counties Trust placed its 51 per cent stake in Habit Precision Engineering while H. Brauner and a subsidiary of Borg-Warner have shelved their proposed deal. International Timber started the rights issue momentum once again with a call for £6.3m but profits were broadly flat last year if the contribution from Bamberger and property disposals is excluded. Wedgwood's annual results had been widely anticipated and the pottery group suffered heavy debt servicing costs and adverse exchange rate movements.

# CompAir halftime decline is £1.1m

AS FOREWARNED at February's annual meeting, mid-year profits of CompAir show a reduction compared with the same period last year. Pre-tax surplus fell from £5.72m to £4.62m for the April 1, 1978, half-year on external sales 10 per cent higher at £78.2m, taking account of the exclusion of Holman Nigeria and the inclusion of Watts.

The directors say most group companies performed well in generally adverse conditions. However, the profits shortfall reflected setbacks in sales of portable compressors and allied plant, which suffered from the loss of the important Iranian market and from the effects of industrial disputes in the U.K.

The net interim dividend is unchanged at 1.55p per 25p share and the Board believes it prudent to defer consideration of any increase until full year results are known—last year's total was £4,036p on £11.33m taxable profit.

Currently, demand for industrial products at home and overseas is particularly encouraging and measures taken to develop additional business for construction equipment are expected to yield some benefits ahead of any general upturn in activity, the directors state.

Although trading prospects for the latter part of the year appear good, they add, the scope for improvement in profits is difficult to assess in view of the uncertain outlook in some key markets.

Half year Hall year  
1978-79 1977-78  
Original sales 78,152 71,587  
Deduction 8,255 8,923  
Interest paid 1,524 1,401  
Depreciation 1,633 1,453  
Share of assoc. 61 1,453  
Profit before tax 4,618 5,777  
Tax 2,347 3,002  
Minority interest 31 14  
Attributable 12,240 2,731  
Includes £210,000 in respect of Watts.

• comment  
CompAir's underlying first half performance is hidden behind a

# Intl. Timber 44% ahead: planning £6.33m rights

FOLLOWING ON a 44.5 per cent jump in pre-tax profit for 1978/79 International Timber Corporation plans to raise some £6.33m by way of a one-for-four-rights issue.

The issue—the first by the company for seven years—is aimed at producing funds to cut short-term borrowings and to strengthen the balance as a base for future organic growth and, possibly, for expansion through more acquisitions.

It involves the issue of 5.76m new shares, which will be offered at 110p. This compares with yesterday's closing price of 136p, down 5p on the day, and a 109p to 146p range seen so far in 1979.

Last year the group spent £3.8m on acquisitions, including £2.6m as part of the cost of buying Bambergers, panel product distributor. ITC is currently aiming to spend £625,000 in purchasing premises at Smoke Lane, Avonmouth, from May and Hassell.

By the end of March this year total group borrowings had reached £28m, compared with £20.8m 12 months earlier, with bank overdrafts and acceptances at £14.2m (£5.6m).

A £1.93m advance in the second half, including a five-month contribution from Bambergers of £0.71m, lifted group profit for the year to March 31, 1979, from £5.57m to £5.03m. Sales were £32.7m higher at £167.4m with £22.9m from Bambergers.

After tax of £3.51m (£3.07m) stated earnings per 25p were up at 21.5p (16.2p) basic, or 21.5p (14.9p) fully diluted.

The net total dividend is stepped up to 3.085p (7.035p) by a 5.085p final with ACT of the new 30 per cent rate. The Board intends to increase the gross payment by 10 per cent for the current year on the enlarged capital.

During 1978-79 higher world timber prices were offset in the U.K. by the strengthening of sterling and demand improved, de-

## DIVIDENDS ANNOUNCED

Company	Current payment	Date of payment	Corre. of div.	Total for year	Total last year
British Benzol	1.5	July 31	0.6	2	3.35
Castlefield (Kings) Int.	1.4	Aug. 31	1.65	3.05	4.04
CompAir	1.55	Aug. 7	1.62	2.78	2.52
Continuous Stationery	0.48	—	0.45	0.65	0.65
Country & New Town	0.48	Sept. 3	4.28	9.03	6.31
Edro	0.78	—	—	0.65	7.04
International Timber	5.09	July 31	4.28	3.09	12
Killinghall	1.5	July 30	—	—	1.54
RKT	0.48	—	0.48	0.61	0.61
Rowlinson Constncl.	1.57	—	1.57	—	1.54
Scottish Amer. Inv. Int.	1	July 31	0.9	—	2.95
U.S. & Gen. Tst.	1	July 16	1.78	—	6.83
J. W. Wassall	0.48	July 25	0.24	0.88	0.44
Wedgwood	2.43	July 19	1.99	4.18	2.74
W. Brom. Spring	0.8	—	0.71	1.09	0.97
Westland	1	July 31	2.7	2.05	1.75
Alliance Invest.	1	—	—	—	—

Dividends shown pence per share net except where otherwise stated.  
\* Equivalent after allowing for scrip issue. † On capital increased by rights and/or acquisition issues. ‡ On capital to 1 increased by 1-for-2 scrip. Last year's interim also adjusted for 1-for-3 scrip. § To reduce disparity. ¶ Second interim of 1.4 forecast.

# Country and New Town improves

Profits before tax of Country and New Town Properties rose slightly from £458,248 in £460,564 in the year ended January 31, 1979. At the attributable level, there was a recovery from losses of £23,245 to a £3,142 profit.

Mr. G. M. Newton, chairman, says the group is cautiously optimistic for the current year but he expects steady progress in the following year "as everything indicates an all round improvement."

The final dividend is main-

ained at 0.45p per share, to give an unchanged total of 0.65p.

Mr. Newton says that, as anticipated, the disruption caused by reorganisation and rebuilding at the Strand Stores affected the results with some £600,000 hours added to the cost of development. Pre-tax profit for 1978-79 excludes any figures relating to the activities of the Civil Service Store.

As this year is the last opportunity for lean stock conversion, the chairman indicates that in the event of full conversion, the net asset value per share would be not less than 63p as in the board's opinion the current value of group properties is understated by some £7m.

# Continuous Stationery at £0.25m.

WITH SECOND-HALF profits virtually the same as those achieved in the first six months, Continuous Stationery ended the March 31, 1979 year up from £191,758 to £246,448 pre-tax. Turnover rose some £0.3m to £2.75m.

When reporting first-half profits about 8 per cent higher at £233,276, the directors forecast that this level of profitability would be continued for the second six months. The company prints computer stationery.

Yearly earnings per 10p share were up from 3.59p to 4.53p, while the total dividend is raised to 2.75p (2.52p) net, with a final of 1.88p.

Tax took £129,210 (£98,342) giving net profits ahead from £93,516 to £117,238. Dividends absorb £69,500 against £63,000.

Comparative figures have been restated due to a change in accounting policies relating to deferred tax and freehold depreciation.

# RKT profit upsurge to £1m midway: dividend boost seen

For the six months to March 31, 1979, pre-tax profits of Robert Kitchen Taylor and Co. almost doubled from £581,000 to £1,010,000 and the directors are forecasting a sharp increase in the current year's dividend total.

But the Board warns that although the current year, will be very satisfactory for the group, pre-tax levels may not exceed the record £2.17m achieved in 1977-78.

An interim dividend of 1.5p is declared and the directors forecast a second interim of the same amount in August — last year's total was a single 1.5485p.

Turnover for the first half was £9,110, compared with £9,49m. Tax takes £393,000 (£165,000) giving earnings per share of 17.27p against 10.25p.

After pre-acquisition profits and minorities, the attributable profit is £600,000 (£387,000).

Group activities include knitwear manufacture, textile merchandising, property investing and dealing.

• comment  
The lifting of dividend controls was an appropriate curtailment-raiser to Robert Kitchen Taylor's interim figures. Last year's dividend was covered over 25 times and yesterday's announcement that two interim payments should be made, each roughly equivalent to last year's total, means that shareholders benefit from a sharply escalating yield. A 6p total would give 4.6 per cent, hardly spectacular but over twice last year's figure. The group is also in a far better position to pay than it was a few years ago. This is all discounted in the share price, however, and it was partly yesterday's cautious second half forecast which pushed the shares down 4p to 396p. First half profits doubled and the implication is therefore that earnings in the second six months may be well down. The company says its business is becoming increasingly anti-cyclical and a more even performance over the year must be expected. Margins have remained roughly constant as first half sales in 1977-78 were heavily influenced by unprofitable property disposals.

## CENTURY OIL

Century Oil Group announces that as a result of the reduction in income tax rate the final dividend will be increased from 2.299p to 2.4025p net, payable August 3.

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\* TURNOVER UP 11% \* A 1 FOR 2 SCRIP

	1979	1978	1979	1978	
TURNOVER	35,523	32,092	EARNINGS PER ORDINARY SHARE	19.6p	15.3p
PRE-TAX PROFIT	1,593	1,237	DIVIDENDS	4.9889p	4.4677p
PROFIT AFTER TAX	771	594			

Subsidiaries

GIEVES & HAWKES Tailors and Outfitters	JAMES BURN BINDINGS Mechanical Binding Systems	REDWOOD BURN Book and Magazine Manufacturers & Booksellers	MAMOS Motor Dealers and Car Park Operators	GIEVES PROPERTY
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معلومات

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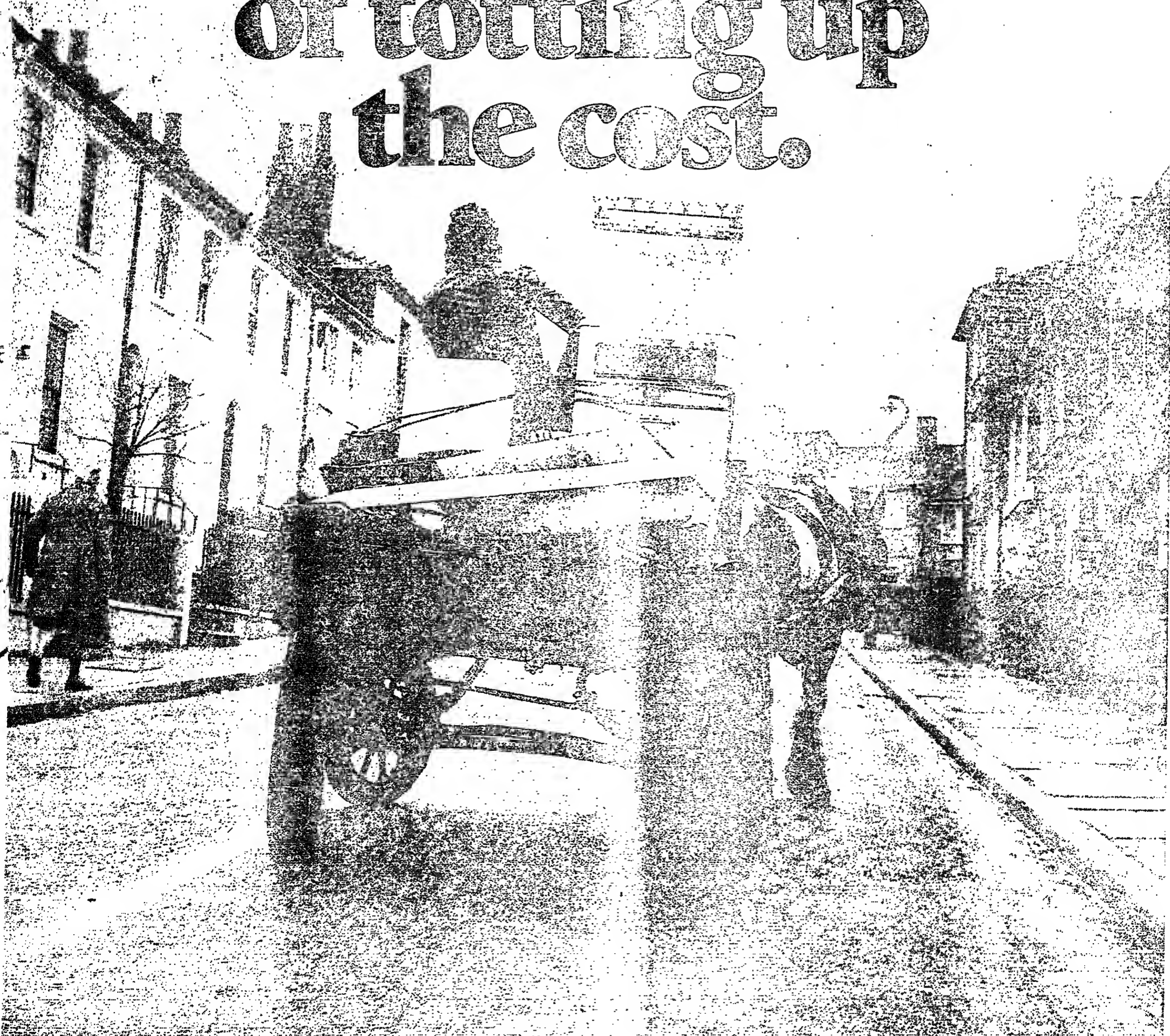
As a businessman you should look again at stainless steel for your products.

After all, the cost of the alternatives is already being totted up.

If you would like to talk more about the possibilities of stainless steel contact Mike Whitecross, BSC Marketing, P.O. Box 150, Sheffield S9 1TQ.

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# One way of totting up the cost.



UK COMPANY NEWS

Saatchi ahead 50% to top £1m in first half

FROM TURNOVER up 38 per cent to £34.2m, profits before tax of the Saatchi and Saatchi Company advertising agency rose 50 per cent from £155,000 to £1.1m in the first half year ended March 31, 1979.

The directors say the outlook for the year continues to be satisfactory and they expect 1979 to show further good progress. In 1978-79, the group reported pre-tax profits of £1.87m.

An interim dividend of 2.02p is now declared on capital to be increased by a one-for-two scrip issue. Last year's interim was 1.37p adjusted for a one-for-three scrip.

Tax takes £855,000 (£438,000) giving earnings per share of 6.74p against an adjusted 4.51p. Attributable profits amounted to £380,000 compared with £254,000.

In the first half, new assignments have come from Nestlé, Campbell's Soups, Smith and Nephew, Procter and Gamble, The Law Society, British Rail and the Wallpaper Marketing Board, the directors state.

As reported, Saatchi has acquired the Dublin agency, O'Kennedy-Brindley, one of Ireland's top three agencies. Following the acquisition of Hall's, Scotland's largest agency, last year the Board said its aim was to have a strong presence in the major regional centres of the British Isles.

The momentum which swept the Tories to victory is apparently propelling their advertising agents, Saatchi and Saatchi, along as well. With the continuing improvement in markets, interim profits are up by about half on gross billings that are some 40 per cent higher. Most of the growth is due to new business coming through together with fresh assignments from existing clients. New

BOARD MEETINGS TODAY

Interims—English China Clay, E. J. Riley.

Finals—Alpine Soli Drinks, Amber Industrial, Avonue Close, Braby Leslie, British Geographical Theatres, British Commonwealth Shipping, Bicon, Shinley, Colson Investments, Chloride, Central Securities, Carr, Eclowood, Glosby Spring Interiors, Dom Domon and General Trust, Dorington, Elarwick-Walker, Great Portland Estates, William Leech Builders Milbury, Ocean Wilsons, Paris and Whites, Pyspa Rally Pests, Robertson Foods, Savers International, Stavley Industries, Valet.

FUTURE DATES

Table with columns for company names and dates for interim and final meetings.

accounts such as Nestlé, Campbell's Soups and Family Rail Card—the latter is expected to add about £1m to turnover—should produce some significant contributions in the second half. A further boost would be the revenues from the Tories' election campaign, all of which should easily carry Saatchi well beyond the £1m mark this time. The share price reached a peak of 225p but closed 2p down on balance to 218p yesterday, where the prospective yield is around 5 per cent assuming 50 per cent profit growth for the full year, following its stated policy of unchanging the rate of earnings and dividend increase.

CHANNEL TUNNEL

Taxable profits of Channel Tunnel Investments, the company formed to build a tunnel

between England and France, were steady in 1978.

Channel Tunnel, which is now an investment company, made a surplus of £3,537, against £3,495. Tax takes £1,858 (£1,907). Stated earnings per 5p share are down from 0.15p to 0.12p.

Profit rise at Ayrton Saunders

Pre-tax profits of Ayrton Saunders and Co., manufacturing chemist, rose from £32,206 to £37,738 in the year to February 24, 1979, on sales of £3.35m, against £3m.

After tax of £306,445 (£282,011), stated earnings are higher at 110.9p (101.9p). The net final dividend of 8.07225p lifts the total from 10.9744p to a maximum permissible 12.07225p. A one-for-one scrip issue is also proposed.

Dividends absorbed £34,383 (£31,759), leaving retained surplus at £258,900 compared with £218,248.

Mr. D. R. Leith, chairman, says wholesale sales rose 10 per cent to £7.88m, but exports slipped by some £214,000 to £388,373. This occurred in the last quarter and was the result of a policy change in Nigeria. However, orders are now picking up.

Fixed assets rose from £338,597 to £354,999, and net current assets were higher at £1.58m (£1.55m). Bank borrowings decreased by £193,890, against a £142,516 increase last time.

Meeting, Liverpool, July 6 at noon.

AFTER showing a rise at midday before tax of £1.8m, profits before tax of Edbro (Holdings) the Bolton engineering group, fell to £3.02m in the year ended March 31, 1979, compared with £3.66m in the previous year.

In their interim report, the directors said the outlook for the second half had deteriorated. It was difficult to forecast the year's outcome as they expected a pre-tax profit of a similar order to that of 1977-78.

Earnings per share before tax are stated at 36.5p against 44.5p and 23.6p (32.5p) net. The final dividend is 6.76p lifting the total from 6.315p to 9.03p, which is cited they would have paid for 1977-78, but for dividend controls.

Turnover amounted to £32.87m against £29.73m. Tax takes £1,05m (£985,000) and £1.21m compared with £2.15m in 1977-78. Reserves at March 31 this year were £9.94m against £9.22m after debiting a prior year depreciation adjustment of £84,960 (£111,000) and £1,198,000 (£244,000 credits) and £322,000 (£113,331) goodwill written off.

comment

Edbro's share price has slumped by a quarter in the last six months and, on the face of it, a still taxed historic p/e of nine suggests that rating has found its correct level. But expectations for the current year should hopefully start from a substantially higher base. The transport strike in January and February probably clipped profits by some £500,000 and delays in commissioning the new Wythen-shaw warehouse possibly cost a further £200,000. Against that, competitive pressures are tending to intensify rather than ease and the foreign exchange reaction in the Budget merely makes the task of penetrating the important North American market that much harder. But at least the level of incoming orders is strengthening and is now showing a volume gain of perhaps a fifth on a year on year basis. Wythen-shaw should be pulling its weight by the autumn and the new plant in Eire is finally coming into operation. Meanwhile, Edbro had signalled its dividend intentions well in advance of relaxation and the foreshadowed payment covered 1 1/2 times on a GCA basis, yields 9 per cent.

CHARTER TRUST

The Charter Trust and Agency announces that £182,167 of its

41 per cent convertible unsecured loan stock 1980-85 was lodged for conversion into 259,467 ordinary stock of 25p.

Bromwich Spring declines

AFTER a further decline in the second half taxable profits of West Bromwich Spring Company slumped from £385,475 to £349,733 in 1978. Turnover was static at £3.4m.

At midday the surplus had declined from £305,090 to £293,000 on turnover marginally down at £1.51m. The directors then anticipated maintaining the position in the second half with profits down from £287,000 to £122,000.

Tax for the period takes £190,000, against £213,000, leaving net profit down from £82,475 to £139,733. Stated earnings per 10p share have fallen from 7.06p on the old capital to 2.62p.

The final net dividend of 0.73p lifts the total from an adjusted 0.973p to 0.1057p.

Today's company meetings

- Atlas Electric and General Trust, Winchester House, London Wall, EC. 2.30. Berkeley Hambro, 41 Bishopsgate, EC. 3.30. Boustead, Westbury Hotel, New Bond Street, W. 12. Central and Sheerwood, Hyde Park Hotel, Knightsbridge, W. 12. Crada International, Connaught Rooms, Great Queen Street, WC. 12. Crosby House Group, Great Eastern Hotel, Liverpool Street, EC. 11. Dutton-Forsyth, Park Lane Hotel, Piccadilly, W. 12. Gieves, Brown's Hotel, Dover Street, W. 12. Heal, 198, Tottenham Court Road, W. 3. Hestair, Hyde Park Hotel, SW. 12. Hewden-Stuart, 135 Buchanan Street, Glasgow. 12. King and Shaxson, 52 Cornhill, EC. 12. Laporte, 20 Aldermanbury, EC. 12. F. Miller (Textiles), 15 Bath Street, Glasgow. 12. Porter Chadburn, St. George's Hotel, Linc. Street, Liverpool, 12.13. Spillers, Painters Hall, 9 Little Trinity Lane, EC. 12. Usher-Walker, Connaught Rooms, Great Queen Street, WC. 12. G. Wimpey, Royal Garden Hotel, Kensington High Street, W. 12.

Wedgwood edges forward and looks for progress

FOLLOWING an improvement in the final quarter, taxable profits of Wedgwood rose marginally— from £8.35m to £8.55m—in the year to March 31, 1979.

At midday the surplus had fallen from £2.95m to £3.81m. At the end of the third quarter it was static at £6.25m, and the group then forecast a modest increase for the year.

The Board now says that although overseas sales continued to increase they were affected by exchange movements. Overseas sales accounted for 57 per cent of the £8.2m total (£73.4m), compared with 58 per cent and 62 per cent respectively in the previous two years.

The U.S., Canadian and Australian distributing companies had a good year as did the manufacturing company in Croydon, Australia. Sales in Europe and Japan showed good growth in the face of strong competition.

And the Wedgwood Rooms division achieved a record 30 per cent sales increase and opened 15 new rooms, bringing the total to 100 in its 23rd year of trading.

Of the US\$12m acquisition of the American tableware and architectural tile maker, Franciscan, of California, the Board says this is intended to be complementary to, not competitive with, the long-established position in North Staffordshire. The \$12m, payable in three annual instalments, will be financed by U.S. currency borrowings.

The directors add that stiff targets have again been set for the group's manufacturing and sales executives and they hope to see another year of progress.

At the trading level the surplus had increased from £9.36m to £10.7m. But the increase was reduced by higher exchange losses of £1.14m, against £769,000, and a substantial rise in interest charges from £245,000 to £1.02m.

However, after a lower tax charge the net profit is up from £6.55m to £7.20m. Stated earnings per 25p share have risen 2p to 19.6p.



Sir Arthur Bryan, chairman of Wedgwood, studying a craftsman at work on the new range of Egyptian inspired products at the Baristonia factory.

There is a further improvement in attributable surplus, from £5m to £6.72m, following an extraordinary debit of £863,000, against £1.65m last time.

The reduction in extraordinary items is mainly due to the fact that this time there is no provision for a possible exchange loss in Swiss loans, compared one of £1.17m last time.

The final dividend of 2.435p lifts the net total from an equivalent 3.74p to 4.176p. Net assets per share are shown up from 97.9p to 113.2p.

Table comparing 1978 and 1977 financial data: Sales, Operations profit, Exchange losses, Interest, Profit before tax, Tax, Profit after tax, Extraordinary debit, Attributable, Dividends, Retained.

comment Wedgwood's full-year results are much as expected. At the operating level, margins were held at 12.7 per cent but much higher exchange losses and interest charges cut this back to just over 10 per cent pre-tax. A big jump in borrowings was a major factor, due to the cost of bringing on stream the new U.S. warehouse and distribution centre and the need for a short-term bridging loan of just over £2m to cover the delay of State support grant. Adverse currency movements reduced the profits contribution from export in spite of volume gains in major markets such as the U.S. A home sales volume was roughly 15 per cent lower, mainly because of reduced tourist expenditure in the West End. In the current year, prospects look somewhat brighter, especially; borrowings can be cut. Export are buoyant both to the U.S. and EEC while home market sales are showing a small rise. There will also be the benefits of price increases of up to 15 per cent from May 1. At 88p the share are on a fully-taxed history of 1/8 of 2.8 while the yield is 7.3 per cent.

Eastern Prod. waits for crop sale

PROSPECTS FOR this year seem to be similar to 1978, says Mr. H. K. Fitzgerald, chairman of Eastern Produce (Holdings), the tea, rubber, copra and cocoa group. In his annual statement for 1978,

But he adds that the full results will only become apparent at a later stage of crop disposal. Last year the group's taxable profits fell from £7.16m to £2.79m. The main reasons were the recession in tea and coffee prices, and the consolidation of the share of Associated Fisheries disappointing results.

Mr. Fitzgerald points out that the proportion of group debt to shareholders' equity was down to 21 per cent against 75 per cent at the end of 1978.

The acquisition of Ernest Nottcutt Group, the insurance broker, was completed without undue strain on resources, he adds. The group intends to apply this criterion to further work needed to broaden activities and increase earnings, particularly in the UK.

Mr. Fitzgerald says that the Associated Fisheries Investment, for which a £323,000 pre-tax loss

was included last year, will prove to be long-term. But there has been a further improvement and expansion in this operation's shore activities. Mr. Fitzgerald is chairman of Associated Fisheries.

On the rubber and copra side yields to date have been increased and the price of both commodities on international markets is much improved.

British Traders and Shippers has started the year with useful figures. Meeting, Winchester House, EC, on July 5 at noon.

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Advertisement for Central & Sheerwood Limited. Features a large headline 'What you should know about CENTRAL & SHEERWOOD results', several bar charts showing financial performance from 1974 to 1978 (Pre-tax profit, Earnings per share, Dividends per share, Net tangible assets), and a list of products including cranes, water treatment equipment, and industrial machinery.

Cargo upsurge at Mersey Docks

AN UPSURGE in general cargo at Mersey Docks and Harbours Company will help reduce the loss of £1m incurred earlier in the year by the transport dispute.

Sir Arthur Peterson, the chairman, told the AGM yesterday that since the end of the strike the level of general cargo had increased to an extent that, despite the stoppage, the group handled more tonnage in the year than in the same period of 1978.

Sir Arthur said that the company was still negotiating the

disposal of the now-redundant South Docks on a leasehold basis. No disposals would be concluded however until full implications of Government policy on the Community Land Act and Development Land Tax had been assessed.

The chairman underlined these assurances when answering questions from stockholders. He said that talks were continuing with the Government on the method of financing the modernisation of facilities for handling

general cargo. The company was also still looking at expenditure and had reduced the number of registered dockers by another 250 men. This meant that 447 dockers and 314 other employees had left voluntarily in the last six months at a cost of just over £7.7m.

During 1978 the cargo handling operations had resulted in a loss of almost £4.3m after allowing for overheads, interests and depreciation of which £1.8m was paid to dockers sent home because there was no work.

Advertisement for Bristol Waterworks Company. Features a map of the Bristol Waterworks Area, a headline 'RESERVOIRS RECOVER AFTER DRY AUTUMN', and a list of key points from a statement regarding water supply recovery, financial results, and infrastructure improvements.

UK ECONOMIC INDICATORS

ECONOMIC ACTIVITY—Indices of industrial production, manufacturing output (1973=100); engineering orders (1975=100); retail sales volume, retail sales value (1971=100); registered unemployment (excluding school leavers) and unfilled vacancies (000s). All seasonally adjusted.

Table with 8 columns: Year, Ind. prod., Mfg. output, Eng. order, Retail vol., Retail value, Unemployed, Vacs. Rows for 1978 and 1979 quarterly and annual data.

OUTPUT—By market sector: consumer goods, investment goods, intermediate goods (materials and fuels); engineering output, retail manufacture, textiles, leather and clothing (1975=100); using starts (000s, monthly average).

Table with 8 columns: Year, Consumer goods, Invest. goods, Intmd. goods, Eng. output, Metal mfg., Textile, Hous. starts. Rows for 1978 and 1979 quarterly and annual data.

TERMINAL TRADE—Indices of export and import volume (1975=100); visible balance; current balance; oil balance (£m); ins of trade (1975=100); exchange reserves.

Table with 8 columns: Year, Export volume, Import volume, Visible balance, Current balance, Oil balance, Terms trade, Resv. US\$bn. Rows for 1978 and 1979 quarterly and annual data.

ANGIAL—Money supply M1 and sterling M3, bank advances sterling to the private sector (three months' growth at annual %); domestic credit expansion (£m); building societies' net new HP, new credit; all seasonally adjusted. Minimum lending rate (end period).

Table with 7 columns: Year, M1, M3, Bank advances, DCE, BS inflow, HP lending, MLR. Rows for 1978 and 1979 quarterly and annual data.

ATTION—Indices of earnings (Jan. 1976=100); basic prices and fuels, wholesale prices of manufactured products (1974=100); retail prices and food prices (1974=100); FT monthly index (July 1952=100); trade weighted value of mg (Dec. 1971=100).

Table with 7 columns: Year, Earnings, Basic prices, Wholesale, RPI, Foods, FT comdty. Strig. Rows for 1978 and 1979 quarterly and annual data.

Seasonally adjusted. Reserves: now revalued annually, new estimates.

UK COMPANY NEWS

Companies and Markets

STC sale enhances its local image

BY MAX WILKINSON

STANDARD Telephones and Cables is as thoroughly British a company as it is possible for the subsidiary of a multinational to be.

Entirely managed by British nationals, it has formed close associations not merely with its main customer, the British Post Office, but with its main rivals, the General Electric Company and Plessey. Moreover it is run at arm's length by ITT, its U.S. parent, which allows it a large degree of independence within the terms of its general corporate strategy and financial disciplines.

In one sense, therefore, the decision to offer 15 per cent of STC for sale on the British stock market is not surprising. It is merely an extension of the carefully cultivated national identity which STC has maintained for many years.

If flotation to emphasise the Britishness of STC is such a good idea why should it have taken so long? It is after all 54 years since ITT acquired all Western Electric's European subsidiaries and the British company changed its name to STC and 96 years since the Western Electric office was opened in London.

On the strategic level the answer is that ITT has been developing a policy over the last few years of selling off minority stakes in its European telecommunications.



Trevor Humphries, chairman and managing director of Standard Telephones and Cables, 15 per cent of which will be put on the British stock market.

of this policy is the sale of part of Standard Electric Lorenz in Germany. This policy is a recognition of the highly political nature of the telecommunications market and the increasing rather than lessening pressures of nationalism within Europe.

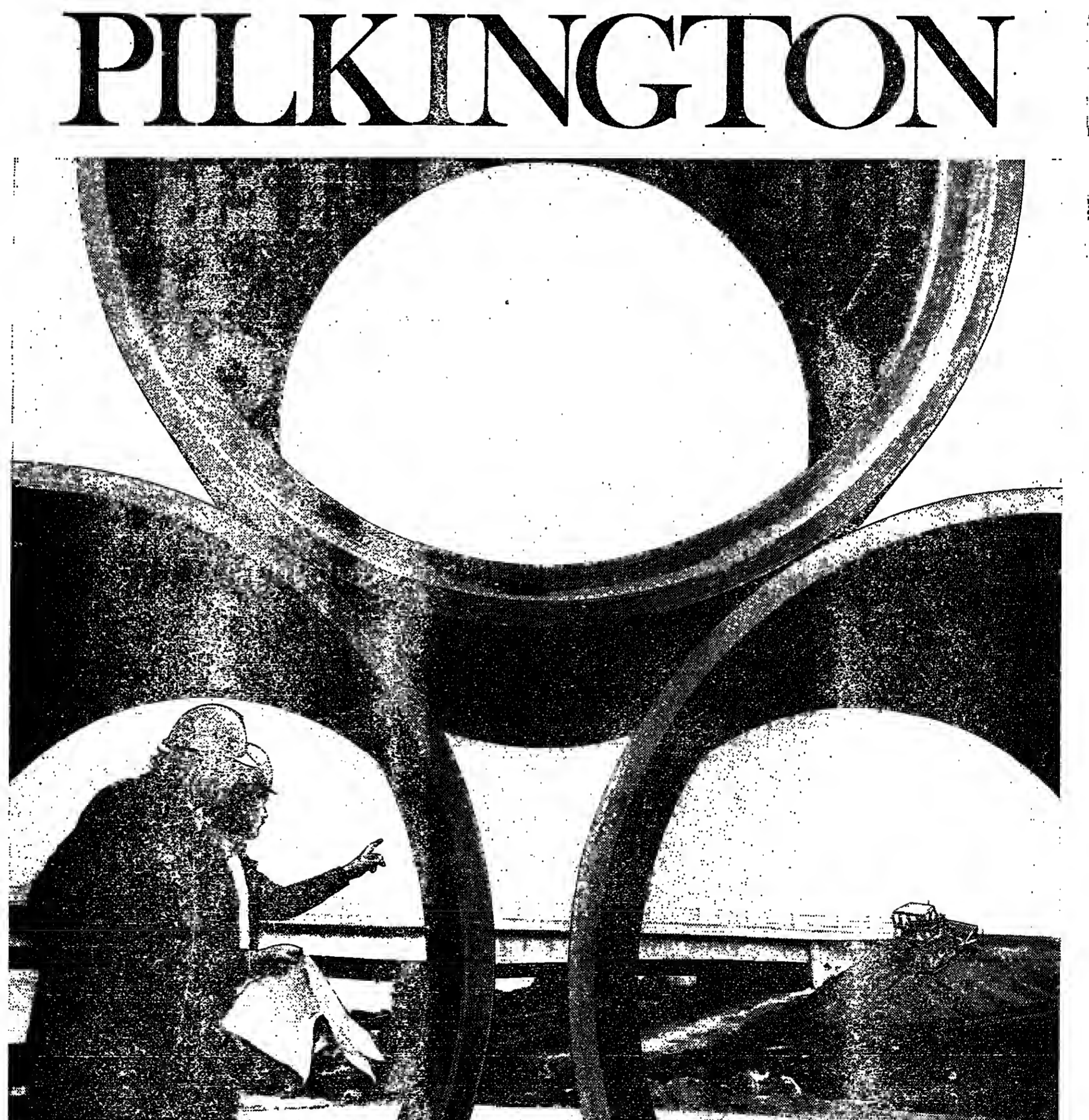
The response of the French Government five years ago which forced ITT to sell its main telecommunications subsidiary (Le Materiel) Telephonique to Thomson CSF, the French electronics group, was a sharp warning of how far European nationalism could go.

which was intended as an intermediate step to the fully digital computer controlled System X.

These special factors came at a time of general recession and a downturn affecting the consumer side of the business. The company now appears to have weathered these difficulties and the outlook for the part of the business which is to be consolidated in the imminent offer for sale would appear to be reasonably optimistic. The company is expecting profits to increase by perhaps 20 per cent this year, and with continued orders for TXE4 and later for System X equipment, the general outlook appears favourable, especially as the bulk of the redundancy costs have now been incurred.

Total sales of the whole of the STC group reported for 1978 were £509m, but not all of this group is to be part of the new group subject to the offer. Sales of this new group, which comprises mainly the telecommunications and business systems part of the operations amounted to £374m with a pre-tax income of £23.3m. The largest part of this is in telecommunications electronics with a 1978 turnover of £225m and a pre-tax profit of £21.7m. This includes the business systems group, which sells private exchanges and computing equipment.

The other part of the group is the Electronic Components and Distributing operations, a large wholesaling operation with a 1978 turnover of £155m and pre-tax profit of £5.2m. The proposed company will have 26,000 employees, of which 17,500 will be in the telecommunications group. Much the largest part of this group is the manufacture of exchange switching equipment, now nearly all electronic. About 13,000 people are employed in switching which contributes some £200m in sales. On the transmission side of the business, the company retains a relatively strong position as one of only four major groups in the world in the long-distance underwater cable market.



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At the Hamburg transport fair: By Ian Hargreaves

# A future for rail

TRANSPARENT, the overhead electronic magnetic suspension railway which makes the West German transport exhibition has not failed. The German manufacturer is proving to be the events are a series of pieces of equipment.

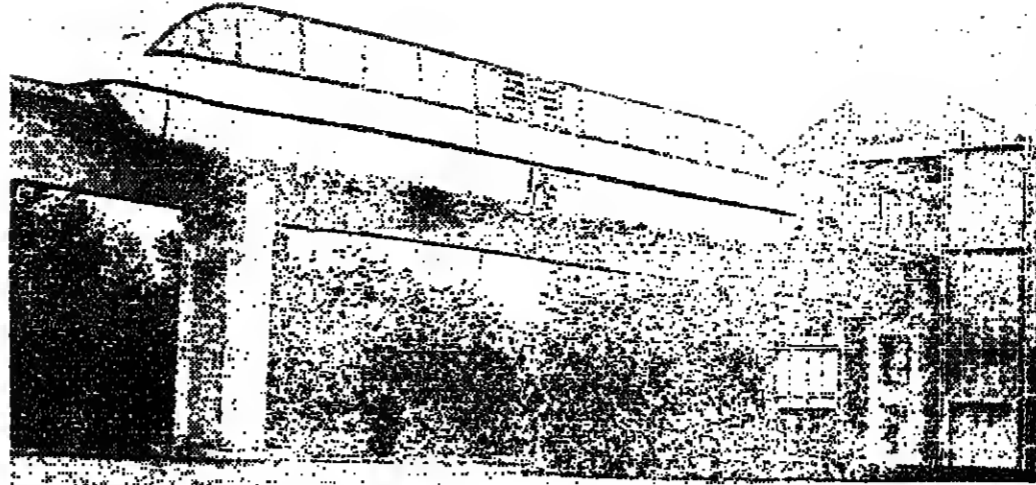
Talk, however, has not been enough. It is the West German government which put up the money to build the first mag-lev test track for the mag-lev train. It has hoped to...

In total, over 200 million has been spent in the last 10 years by the government and by the private sector. The Hamburg research department has a magnetic levitation vehicle on test in Derby, prefers at Hamburg to push the bogie Passenger Train and its plastic technology in coach construction, rather than more glamorous ideas.

These themes were apparent in Hamburg from the moment Herr Walter Scheel, the outgoing German president, stood up last weekend to open the exhibition claimed to be the largest transport show ever held. He set out by rhapsodising about the private motorcar: on the freedom it had conferred on its owners, on the sensual relationship between man and machine which it made possible and on the economic importance of the motor industry. The car had become a symbol of status and prosperity to the way that a big belly had been to an earlier generation. "Just as we have learned... the benefits of slimming, so we must learn to be more thoughtful about our use of cars," Herr Scheel said.

Hamburg, he pointed out, was a model city. Its buses and trains run on integrated ticketing and appear to be clean, modern and abundant. There is willingness to experiment in new systems, such as the guided way cab-taxi system (rather like an office in house or office in underground station) which is now under construction. Above all, the authorities are ready to pay. Hamburg's public transport operators cover only two thirds of their costs through the fare box.

It is to the need to restrain costs on the one hand and yet to ensure the comfort of the private motorcar that the most significant efforts of transport research are being put. Regenerative braking, whereby energy converted to heat when a vehicle brakes is re-converted into motive power, has for some time been a feature of advanced railway systems. A number of bus manufacturers exhibiting in Hamburg seek to apply similar principles. Computers are everywhere. Virtually every railway operator at the exhibition has some form of computerised system control on display. On the buses side, a great deal of effort is going into robust and cheap devices to make dial-a-bus, which has been tried in several European cities, economical. MBB is launching an attractive push-button device designed to explain an urban rail route to an unfamiliar customer. Great strides have been made with automatic fare collection systems, many of which are on display.



The magnetic levitation train at Hamburg

Partly this reflects a lack of Government willingness in Britain to finance research into advanced ground transport, partly a different philosophy in the industries themselves. British metro equipment manufacturers, for example, are committed to simplifying and making cheaper existing equipment rather than branching out into revolutionary designs, of the kind which have sprung up in some U.S. cities in the last 10 years, often with mixed success.

On the non-German stands you can hear forecasts that much the same will happen to the mag-lev railway, but that

does not daunt its promoters. They believe that there exists in Europe a range of traffic flows of 2,000 to 2,500 kilometres (1,250-1,560 miles) which are too long for conventional train speeds and too short for economical journeys by air. So they propose a network of mag-lev trains running at up to 400 kilometres per hour (250 mph), with stations every 160 kilometres (100 miles). Capital costs, they argue, are similar to those for a conventional railway, but much cheaper if the district is hilly, requiring tunnels for normal trains.

They also have faith in the linear motor, whose high fuel consumption and other shortcomings were blamed by the British Government for its decision more or less to abandon work in the field. The Germans say the motor (an electric device built into the track rather than a conventional motor in the vehicle, avoiding the use of wear-prone moving parts) is already as energy-

efficient as a private car with comparable loads. This, of course, is far short of the energy efficiency of either buses or ordinary trains.

At all adds up to a tough world for transport in the 1980s. Public transport operators have seen their financial stability undermined by private cars in the last 10 years and in most countries have not recovered confidence in the point where they themselves are making major advances in terms of technology and service quality because, largely, of the costs involved.

At the same time, throughout Europe and gradually in the U.S., there is an awareness that in the medium term, public transport will have to adapt to help to solve energy problems. Public transport in many countries is moving up from the bottom of a 15-year cycle of decline. The Hamburg exhibition provides a few clues about how it might approach the challenge of growth.

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**Honda Motor Co., Ltd.**  
7 1/2% Guaranteed Sinking Fund Debentures Due 1981  
NOTICE IS HEREBY GIVEN, that One Million Ninety Two Thousand Dollars (\$1,092,000) principal amount of Honda Motor Co., Ltd. 7 1/2% Guaranteed Sinking Fund Debentures Due 1981 and bearing the following serial numbers, have been drawn for redemption for account of the Sinking Fund on July 15, 1979 at the principal amount thereof and accrued interest to that date.

Table with columns for Debentures in Denomination of \$1,000 Each, listing serial numbers and amounts.

Holder of the above debentures should present and surrender them for redemption on or after July 15, 1979 with the January 15, 1980 and subsequent coupons attached at The Bank of Tokyo Trust Company, 100 Broadway, New York, N. Y. 10005, or at the offices of The Bank of Tokyo, Ltd. in London, Brussels and Paris, or at the main offices of Messrs. Hope & Co. in Amsterdam, Morgan Guaranty Trust Company of New York in Frankfurt, Bancher Buehler & Co. S.A. in Milan or Banque Generale du Luxembourg in Luxembourg. Coupons payable July 15, 1979 should be detached and collected in the usual manner.

Interest on the debentures so called for redemption will cease to accrue from and after the redemption date, to wit, July 15, 1979.

THE BANK OF TOKYO TRUST COMPANY as Trustee.

June 14, 1979

Table with columns for serial numbers and amounts, listing debentures for redemption.

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Nippon Electric Co. Ltd.  
Tokyo, Japan

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**UK COMPANY NEWS**

**BIDS AND DEALS**

**Brammer to drop Morse Chain plan**

H. Brammer, the power transmission and rubber products group, has dropped plans to purchase £4m for the UK power transmission Morse Chain Division of Borg-Warner.

The two companies said yesterday that they have identified irreconcilable contractual differences and have therefore ceased negotiations.

The setback comes three months after Brammer announced a £3.8m right issue to finance further expansion. At the time the directors specifically drew attention to negotiations with the U.S. corporation.

Mr. John Head, the chairman of Brammer, last night stressed at he was not embarrassed by the latest development. "We are ambitious for growth which is beyond Morse and we are actively seeking suitable acquisitions which are complementary to our existing interests both in the UK and overseas." In February Brammer paid about £4m for Pope Machiery Corporation, a move which has been seen as a springboard for further purchases in the U.S.

Mr. Head explained that the discussions with Borg-Warner had been made public at an early stage in order to avoid speculation.

On closer examination of the proposed deal, however, it became clear that links between Borg-Warner's Morse Chain Division and Brammer's UK power transmission division posed difficulties.

"The problem was to separate them when a number of their 'pieces' were shared," said Mr. Head. "To do this would have required a substantial amount of additional capital and from the time we received it was just a worthwhile."

Mr. Head stressed that Brammer will maintain its established relationship with Borg-Warner as a major supplier of Morse Chain products in the UK.

**BURRELL ON BID TALKS**

Discussions with other companies with a view to Barrell Company being taken over with a view to Burrell taking others have been held in the

**Noyapara Tea recovering from Bangladesh drought**

DROUGHT has affected the Noyapara Tea plantation in Bangladesh but, following good rains in April, some improvement in the crop can be expected, Sir John Murray, chairman of Noyapara, says in the 1st annual report to shareholders.

In my statement last year I mentioned that the board was aiming means of making a return of capital to shareholders," Sir John says. "While during this possible course of on the directors received an offer from Rightwise."

he offer was £5 a share (certain shareholders, including James Finlay and Co Ltd Sir John and another Noyapara board member, Mr. C. L. Nelson and Mr. T. P. son, directors of Noyapara, have given irrevocable undertakings to accept the offer.

the offer document, which included the Noyapara annual report, Sir John says that board "and your advisers, James Finlay Corporation, consider that the offer is fair and reasonable" and recommended its acceptance.

the Takeover Panel indicated night that, in its view, James Finlay Corporation could be regarded as an independent adviser because James Finlay and Company has only 11.5 per cent Noyapara's issued capital. In its conclusion, the Panel said that there were two James Finlay directors on Noyapara's board, including its chairman, John Murray.

According to the Takeover Panel, Noyapara's activities, which "in the view of Rightwise directors, will be a logical extension of and attractive addition to Rightwise's existing operations in Bangladesh."

**TARGET TALKS OFF**

Target, the furniture manufacturing company which has been trading at a loss, has ended its discussions which might have led to a takeover by investors in Target shares which

**'Simons' £300,000 loss**

FURTHER FALLING in a near all-even position in the various 15 months, Simons & Co., a fruit and vegetable dealer, has incurred a loss of £300,000 in the year ended December 31, 1978.

Mr. J. E. Simons warned last year that a loss was probably inevitable. The annual report, however, showed a profit of £100,000. This was due to a reduction in the number of stores served.

The chairman says that this meant the closure of distribution depots in the north and in Yorkshire was sold a month ago. Lease, continued the Spanish assembly and a side has now been closed.

The distribution activities have been rationalised and the results to date are in line with expectations. The chairman is confident that the

**APPOINTMENTS**

**Group changes at TI**

Mr. R. E. Utiger, managing director of British Aluminium, has been appointed a director of TUBE INVESTMENTS. Mr. Geoffrey C. Butcher and Mr. Robert C. Smith have become non-executive directors of British Aluminium. Mr. Butcher, who is also a director of Burrell Oil, recently retired from British Petroleum. Mr. Smith is chairman of Scottish United Investors. These appointments follow the increase of TI's share in British Aluminium to 58 per cent, and the placing of 42 per cent to the general public. Mr. Frank Ruhemann, a TI director and chief executive of the engineering division, is relinquishing his seat on the British Aluminium Board as one of TI's nominees, leaving the number of TI directors on the Board at three. Mr. Utiger joined British Aluminium in 1961 and has been managing director since 1968. He is also a director of the British National Oil Corporation.

Sir Arthur Norman and Sir Bernard Scott have been appointed non-executive directors of THOMAS TILLING. Sir Arthur is chairman of the De La Rue Company and Sir Bernard is chairman of Lucas Industries. Sir Charles Troughton has retired from the Board of Thomas Tilling to reduce his business commitments.

Mr. J. E. Wilson has been appointed deputy chairman of the TRUSTEE SAVINGS BANKS CENTRAL BOARD and Mr. L. Bolton joins that Board. Mr. Wilson, who is trustee of TSB of Northern Ireland, has also become a Board member of TSB TRUST COMPANY. Mr. Bolton is chairman of the Trustee Savings Bank of Yorkshire and Central Scotland. Mr. D. B. Thorne, general manager (finance) TSB Central Board, has been made a director of TSB Trust Company. The appointments of Mr. Wilson and Mr. Bolton to the TSB Central Board, replace Mr. J. R. Archer and Mr. A. Archibald, respectively.

Mr. J. M. Barber has been appointed a director of INVESTORS CAPITAL TRUST. He is finance director of Christian Salvator.

Mr. R. J. May, chairman of the Rubber and Plastics Footwear Group of the British Rubber Manufacturers' Association, is to become a member of the NED's economic development committee for the footwear industry. He is at present general public and administration manager for Dunlop Footwear.

Mr. W. R. Alexander, chairman and managing director of Walker Alexander and a director of the Clydesdale bank and other companies, has been appointed a non-executive director of BANKSON INTERNATIONAL.

Mr. A. R. Nicol, a director of WIGHT CONSTRUCTION HOLDINGS, and of several companies

within the group, has been appointed group chief executive.

Mr. T. H. Crawford, at present an assistant general manager of MIDLAND BANK, has been appointed regional director. He succeeds Mr. I. M. Wills, who has become regional director, Manchester.

Mr. Robin Pagan has joined WAGNERBARTH HARDMAN AND CO. LLOYD's brokers, as a director. He was formerly with H. Clayton and Co. Insurance Brokers and Co. as a director of Head Waters and Co.

Mr. D. M. Kerr and Mr. K. J. Stone have been appointed general managers of STEWART WRIGHTSON GROUP.

Mr. J. M. Pagan will retire as managing director of motor insurance company FINZESELL GROUP on August 1, 1980, and will be succeeded by Mr. K. J. Stone. Mr. Pagan's successor will be Mr. J. M. Pagan.

Mr. John Pagan, SGB Group, has been appointed to the newly created post of vice-president, SGB Corporation of the U.S., and has taken up his new position in New York. He was previously chairman of the board of SGB Insurance and Finance Division.

Mr. E. J. Pagan has been appointed to the post of vice-president, SGB Insurance and Finance Division.

**The Guardian Investment Trust Company Limited**

Mr M B Baring, Chairman, reports for year to 31st March 1979

- Increases over last year:
- Ordinary Share Earnings + 12.6%
- Dividend Payment + 16.7%
- Net Asset Value + 19.3%

Year	Gross Revenue £000	Net Dividend p.	Net Asset Value
1969	1,528	1.10	88.5
1977	2,704	2.35	93.0
1978	2,993	2.70	102.7
1979	3,162	3.15	122.5

Total assets of £66,000,000 spread as follows:  
 UK 81% N. America 10% Far East 7%  
 Other Areas 2%  
 Individuals constitute 85% of Shareholders and hold 21% of issued ordinary shares.

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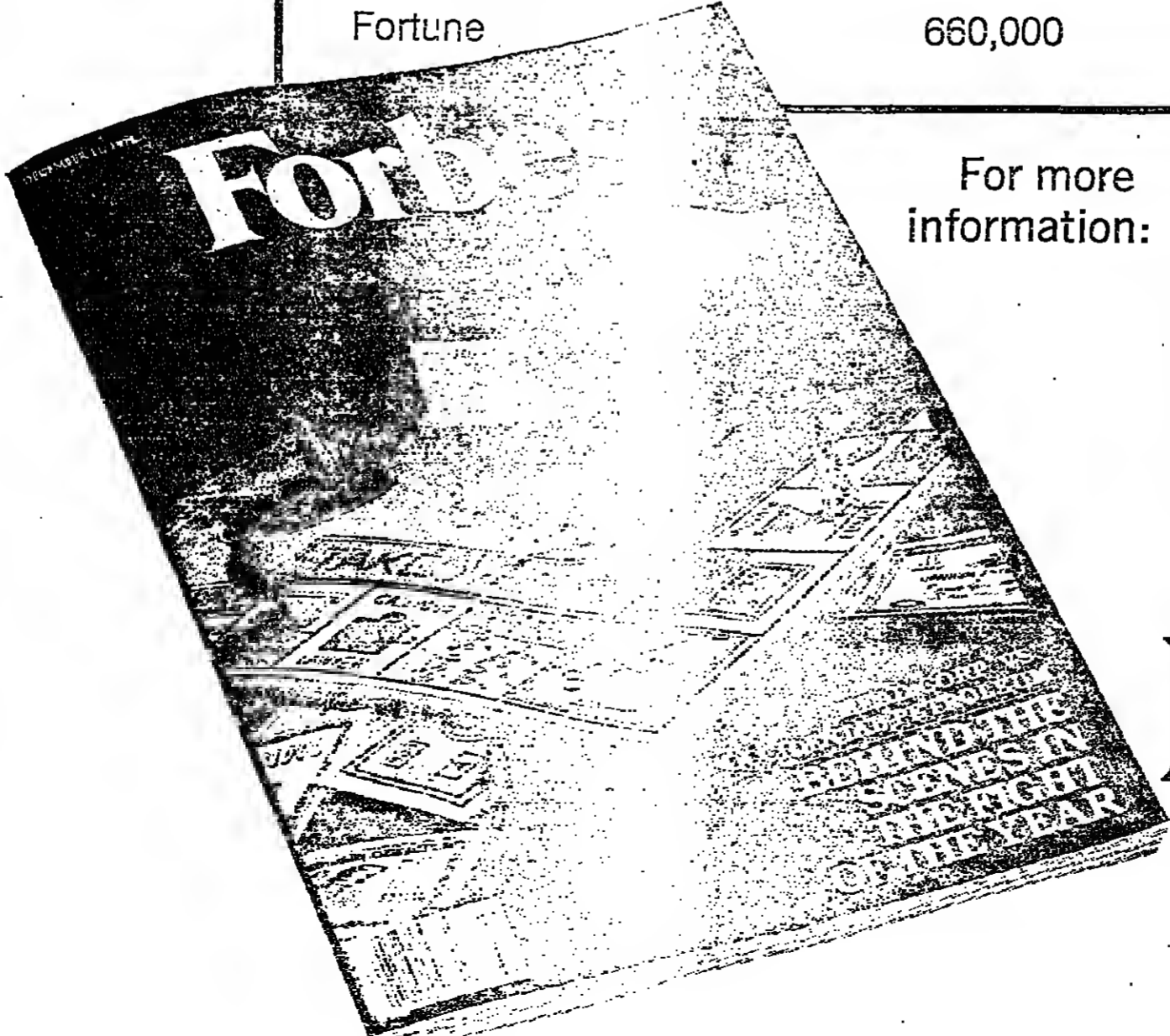
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Source: Erdos and Morgan-Inc., October, 1978

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	Circulation	1X B&W page rate	Cost per thousand readers
FORBES	670,000	\$10,990	\$16.40
Business Week	795,000	15,560	19.57
Fortune	660,000	14,650	22.20



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**Forbes**

# Barr & Wallace optimistic

A current year result similar to that achieved in 1978 is indicated for Barr and Wallace Arnold Trust by Mr. J. Malcolm Barr, the chairman, in his annual statement.

He says it is not possible to give a meaningful forecast of the year's result at this stage, in view of the seasonal nature of many of the group's activities. Pre-tax profit for 1978 was up

53 per cent to a record £2.45m, which was better than forecast largely because of a very good final quarter in the motor division, probably assisted by the Ford strike. Turnover rose by 25 per cent to £59.35m—up reported May 9.

All three divisions made record profits which were—leisure and holidays £1,305,000 (£984,000); motor distribution £960,000 (£582,000); and compu-

ter bureaux £338,000 (£305,000). The group earned an estimated 2.2m in foreign currency through tourism services to overseas visitors to Britain.

On a current cost basis, pre-tax profit for the year is reduced to £1.74m against £0.86m in 1977.

Group fixed assets increased from £7.27m to £8.71m, while net current assets were ahead from £1.83m to £2.33m.

Meeting, Leeds, July 4, noon.

(This advertisement is for information only and does not constitute an offer in relation to the issue referred to.)



## Compagnie Française des Pétroles

An issue of 1,908,375 FF Convertible Bonds at par.

Pursuant to authorisation granted by shareholders at an Extraordinary General Meeting held on 29th June 1978, the Board has decided to issue 1,908,375 FF Convertible Bonds of FF 200 each at par to raise a total of FF 381,675,000. The Bonds will carry an initial coupon of 7.5 per cent from 1st July 1979, rising in stages over the life of the Bonds to 9 per cent from 1st January 1987. Each Bond will be convertible into one 'B' share of FF 50 of the Company at any time from 1st January 1980.

Bonds will be redeemed at various dates between 1st January 1983 and 1st January 1992, subject in the case of redemption to the holder's right upon receiving notice of redemption, to exercise the right of conversion.

Shareholders will have priority subscription rights for the Bonds on the basis of one Bond for 14 Shares held.

Shareholders not holding 14 Shares or a multiple of 14 are entitled to subscribe for the number of Bonds corresponding to the multiple of 14 immediately above the number of Shares they hold. Shareholders holding less than 14 Shares may subscribe for one Bond.

This priority right is non-negotiable.

Subscription Agents in the United Kingdom

**Banque de Paris et des Pays-Bas,** **Banque de l'Indochine et de Sumatra,**  
33 Throgmorton Street, London EC2N 2BA  
62-64 Bishopsgate, London EC2N 4AR

As from 14th June 1979 a summary prospectus for Shareholders, giving details of the offer and information on Compagnie Française des Pétroles will be available for collection from the Subscription Agents in the U.K., together with the necessary Form of Application. Proof of shareholding will be required.

The last date for Shareholders to subscribe for the Bonds under their priority rights will be the 23rd June 1979 and no subscription will be entertained except from persons submitting the Form of Application referred to above with relevant proof of their shareholding.

From 29th June 1979 up to and including 13th July 1979 Bonds which have not been subscribed for by Shareholders pursuant to their priority rights will be offered for subscription to the public in France only.

Since the Bonds constitute foreign currency securities for U.K. exchange control purposes, persons resident in the United Kingdom will, unless utilizing the proceeds of a foreign currency loan authorised by the Bank of England for portfolio investment, be required to pay the investment currency premium on taking up their rights. Shareholders resident in the U.K. who propose to take up their rights are therefore advised to consult their own bankers without delay. Payment must be made through an Authorized Depositary (which includes banks and stockbrokers in, and solicitors practising in, the United Kingdom, the Channel Islands or the Isle of Man) by means of a bankers draft in French francs.

Application has been made for the Bonds to be listed on the Stock Exchange in Paris.

Shareholders are strongly advised to consult their stockbroker, bank manager, solicitor, accountant or other professional adviser immediately.

Paris, 14th June 1979

### The whole is greater than the sum...

M. W. Marshall is the money broking division of the Mercantile House Group.

Saturn Holdings, with its subsidiary and associated companies, provides services in related financial markets.

Mercantile House Holdings is the whole, of which Marshalls and Saturn are the two operating parts.



Marshalls is a leader amongst international money brokers, with offices in London and 12 financial centres around the world.

Saturn's services include equipment leasing consultancy and asset management and also money management through the SIMCO funds.

Mercantile House is an international group providing a wide range of complementary financial services to customers throughout the world.

**Mercantile House Holdings Limited**

66 Cannon Street, London EC4N 6AE. Telephone: 01-236 0233

# UK COMPANY NEWS

## MINING NEWS

### Selection Trust sets up Australian mining house

BY KENNETH MARSTON, MINING EDITOR

THE CREATION of a major Australian mining finance house with muscle and flexibility emerges from the London Selection Trust group's proposals for a reorganisation of its Australian interests.

The new company, Selstrust Holdings, with an issued capital of 60m shares of 50 cents, is to be initially 21.2 per cent owned by the public and 78.8 per cent by Selection Trust. The plans will involve an AS30m (£160) rights issue.

The newcomer will have assets of some AS170m (£91m) covering the group's 60 per cent stake in the big new Agnew nickel mine; 60 per cent of the as yet undeveloped Teutonic Breve copper-zinc-silver deposit; the drillship "Regional Endeavour"; and the 5 per cent holding in the huge Mount Newman iron ore project.

Selstrust Holdings' role as a mining finance house, rather than as a holding company, is underlined by the fact that in addition to existing exploration interests it will also have the right to participate to the extent of 75 per cent in the group's other exploration activities in Australia and will also be able to undertake all other future mining business of the Selection Trust group in that country.

Holders of Selstrust Exploration—the group's only listed company in Australia in which there is a public ownership of 18.2 per cent—are to be given an exchange of "A" shares in Selstrust Holdings. For every 100 Selstrust Exploration shares they will re-

ceive 20 Selstrust Holdings "A" shares plus AS20 in cash.

After this, there will be a rights offer in September of one "Z" share in Selstrust Holdings at AS2.50 for every "A" share held. Holders will also be allowed to apply for additional "A" shares. The issue is to be underwritten by Schroder, Darling and Potter Partners, the latter firm also being brokers to the issue along with James W. Paterson and Son.

The "Z" shares will carry a fixed cumulative annual dividend of 7.5 cents, equivalent to a 7 per cent yield on the issue price. They will be convertible at any time into "A" shares on which no dividends are envisaged until the desired build-up of funds has been achieved.

Earnings of some AS14m for 1980 are expected for Selstrust Holdings on the basis of an average producer nickel price of U.S.\$3.25 per lb (currently \$3 per lb) and a continuation of the present U.S.-Australian exchange rate. Because of tax allowances, the company will have no tax liability for the first few years.

#### • comment

Selection Trust's latest move marks a good deal of sense. Ostensibly a tidying-up operation which has tax advantages, it provides a powerful new vehicle for Australian domestic investment in the country's undoubted major mineral potential. The rights issue, it will be noted, applies to persons within Australia, having registered addresses in that country, this

being apart from Selection Trust and others who acquire "A" shares under the scheme. If it is argued that Australia's desire for a majority ownership of domestic resources is not being catered for by the relatively modest offer of just over 20 per cent in the new company, the answer must be that Australia may not have the resources, or the will, to take a larger slice of the parent Selection Trust at this stage.

Further opportunities might be offered to the Australians to increase their stake in Selstrust Holdings in due course. Meanwhile, they may well be attracted by the group's enlarged prospecting scope in base metals and diamonds—the AS 30m to be raised will help finance the projected annual exploration expenditure of AS 10m to AS15m—in addition to the potentially big earnings of the new Agnew mine. Next year, earnings of Selstrust Holdings are set to expand in the 1980s. The newcomer could also have a degree of autonomy in that its financial dependence on the parent Selection Trust will lessen, but it may still be subject to a fair amount of policy control from the parent and its chairman may also be Selection Trust's Mr. John Du Cane.

While nothing is certain in mining, new flotations are almost always worth taking up and while holders of the "Z" shares being offered may have to put up with a fixed return for the first two or three years before it is worth converting into the "A" shares, their patience could be well rewarded in the later 1980s.

### Reserves double at Hemerdon

EXPLORATION AT Hemerdon Ball, the tungsten-tin prospect near Plymouth, is moving into a new phase backed by a new limited commitment from Amax Exploration and its knowledge that indicated reserves have more than doubled in the last year.

Mineralisation is 45m tonnes, compared with 20m tonnes in April 1978, giving 0.17 per cent tungsten and 0.025 per cent tin. Amax Exploration said yesterday. The company is a subsidiary of Amax of the U.S. and is managing a joint venture in which the other partner is Hemerdon Mining and Smelting.

Previous drilling reports from Amax had setled the extension of mineralisation down to 100 metres, about 80 metres deeper than drilling had gone in the years before World War Two, when the deposit was investigated prior to limited exploitation. The present exploration programme has gone down to 200 metres.

The Amax-Hemerdon programme is moving into a fourth phase involving a feasibility study, which will embrace not only further technical analysis but a survey of marketing and financing prospects and a pilot ore treatment plant. The work will take up to three years.

So far Amax has spent \$3.6m (£1.7m) at Hemerdon Ball and now expects to pay between \$8m and \$9m for the feasibility study.

This suggests that up to \$12m could be spent on deciding whether Hemerdon Ball is an economic proposition, and is about double the amount Amax indicated it would be prepared to commit when it entered the joint venture at the end of 1977.

Although part of the increase may be attributed to a general rise in costs and, latterly, a much clearer idea of the cost of a pilot plant, the extended commitment reflects the encouragement drawn from the earlier phases of exploration.

Tenders for the pilot plant have been called and a contract could be let shortly. The plant will treat the means of separating the tungsten and tin devised in UK and U.S. laboratories follow-

ing bench scale work on metallurgical processes.

The previous attempt to exploit the deposit was only a limited success largely because it was not possible to devise a metallurgical technique, to extract the tungsten and tin from the china clay prevalent near the surface of the deposit, which ensured a high recovery rate.

The Amax-Hemerdon pilot plant will take bulk samples of ore cleaned from underground development of the deposit.

#### GETTY MAY KEEP JABILUKA STAKE

Getty Oil could retain its 35 per cent interest in the Jabliuka uranium deposit under the Australian Government's new ownership guidelines, according to Mr. Tony Grey, the chairman of the Federal Minerals Commission, in a report which says the company owns the other 65 per cent.

Under certain circumstances the Australian Government has relaxed the requirement for 75 per cent domestic ownership of uranium projects.

Such relaxations, made in Sydney yesterday, are in tune with the feeling generally expressed immediately after the Government changed its guidelines, thus allowing Western Mining Corporation to proceed with its Yellie uranium joint venture with Exxon and Uranengesellschaft.

But Pancontinental would still have to see whether anyone would buy 10 per cent of the Jabliuka venture, thought to be the world's biggest potential uranium mine. The time to do this would be when Jabliuka had received export approvals from the Government, Mr. Grey said. If efforts to reduce the interest were unsuccessful, Getty could retain its present stake, Mr. Grey added.

Pancontinental is soon

### Rowlinson slumps to £56,000

BAD weather and transport problems resulted in a second-half loss of £322,252 against a £392,935 profit last time, at Rowlinson Construction Group, building and civil engineering contractor and property developer.

This means profits are down from £396,635 to £56,888 in the year to March 31, 1979. At midway, the surplus was lower at £108,200 (£603,900), and the directors expected a similar second half.

The dividend is effectively maintained at 0.60625p, with a 0.25p final. After tax of £29,456 (£318,962), net profit came through at £28,412 compared with £479,868.

The directors say the Industrial and Commercial Properties revaluation has increased their value by £3.4m which has raised net asset value to 58p (51p).

### Bad weather hits Mowlem UK contracts

Bad weather in the first four months of the year had affected home contracts of John Mowlem and Company. Sir Edgar Beck, chairman, told shareholders at the annual meeting.

In spite of his earlier hope for modest progress, the chairman said he was being more cautious whether the group could recoup the lost ground.

In the last full year, taxable profits of the construction group slipped from £8.13m to £5.92m. Referring to increasing diversity of the group, the chair-

man said there had been an eight-fold rise in non-construction profits since 1974.

### PACIFIC COPPER BOOSTS STAKE IN TORRINGTON

Pacific Copper is to acquire the stake in the Torrington wolfram project, in New South Wales, held by St. Joe (Torrington), a subsidiary of St. Joe Minerals of New York. No terms have been specified. This brings the Pacific Copper interest up to 92.5 per cent.

Mr. Peter Gibb, the chairman, told the Sydney stock exchange yesterday that the arrangements had been made as he advised that the first shipment of wolfram concentrates would leave the mine during this month. The customer is BOC, the UK group.

St. Joe, which acquired its stake only last August, is the second of Pacific Copper's joint venture partners to withdraw from Torrington in the past seven months. In December Hampton Gold Mining Areas of London sold its 10.67 per cent stake to Pacific Copper.

Pacific Copper, the Australian affiliate of Pacific Copper Mines of Canada, has itself been the subject of ownership changes. The Consolidated Press group, run by Mr. Kerry Packer of television and cricket fame, bought its stake to 25 per cent from 21 per cent last year.

Against the background of these corporate shifts, the new crushing and concentrating plant at Torrington has been brought into production and is working, Mr. Gibb said, in alignment with scheduled operating targets. The shares yesterday were down 7p at 73p.

### Debenture exchange by Lonrho

Lonrho proposes to exchange the existing debenture stocks of subsidiaries London City and West End Properties, AVP Properties and Dunford and Elliott for new Lonrho stock. On a £1 for £1 basis the exchanges are:

For the LCW £5m 9 1/2 per cent stock 1967-2002-10 1/2 per cent Lonrho stock; for the outstanding AVP £1.5m 7 1/2 per cent stock 1966-81-7 1/2 per cent stock; for the £121,294 8 1/2 per cent stock 1963-66 and the D&E £2.36m 8 1/2 per cent stock 1967-92-9 per cent stock 1967-82; for the D & E £10,000 12 per cent stock 1985-90-12 1/2 per cent stock; and for the £1.77m D&E 12 1/2 per cent stock 1980-83-12 1/2 per cent new Lonrho stock.

The exchanges will require sanction by holders and will be conditional on the new stocks being listed. The exchange of the 12 1/2 per cent stock of D&E will also require to be sanctioned by holders of the 8 per cent unsecured loan stock and the 8 per cent convertible unsecured loan stock of Lonrho.

Lonrho and subsidiaries have been advised by Keyser Ullmann.

#### SCOTTISH METRO.

Scottish Metropolitan Property announced that acceptances have been received for 6,425,563 ordinary shares representing some 68.9 per cent of the 6,828,294 ordinary shares offered by rights.

Shares not taken up have been sold and the net premium of about 8.9p per share, will be distributed to the provisional allottees originally entitled thereto.

### Benzol recovers to £1.3m profit

A RECOVERY in taxable profits and a substantial increase in the dividend are reported by British Benzol Carbonising, coke and smokeless fuel manufacturer. Pre-tax profits rose from £782,000 to £1,225m in the year to March 31, 1979, which compares with the record £1.39m in 1978-79. The net final dividend of 1.5p per 10p share holds the total to 2p, against a single payment of 0.5874p last time, reflecting the removal of dividend restraints.

At midway, the surplus was higher at £275,000 (£133,000), and the directors expected the encouraging performance to be maintained through the remainder of the year.

The current year has opened satisfactorily and in line with budgeted expectations, the directors say. However, national and international conditions continue to provide an unsettled trading climate, but they are confident the company will make progress by internal development and acquisition.

The directors add that they intend to pursue a policy of steady improvement in dividend payments.

Sales for the year were ahead at £18.26m, against £15.88m. After tax of £267,000 (£150,000), earnings per share are shown to have risen from 6.8p to 10.5p. Attributable profit came through at £395,000 (£339,000).

	1978/79	1977/78
Sales	17,990	15,900
Export	10,377	10,377
Home	7,613	5,523
Profit before tax	866	1,635
Income tax	232	282
Net profit	634	1,353
Attributable	395	339
Dividends	198	58

SSA: IS has been adopted, resulting in a £785,000 credit. As part of this policy, capital expenditure is at a higher level than in recent years. Improved cash management has produced a substantial outflow last time. Throughout the year, there has

been a fairly steady improvement in demand for all grades of coke and coal by-products. The depressed state of the steel industry, worldwide, however, has adversely affected selling prices and the company's ability to pass on full increased costs. Export possibilities have been, and will continue to be, restricted until there is a pick-up in the European steel industry.

• comment  
British Benzol's mercurial record continued last year with a 58 per cent profit rise from a low base. Thanks to the oil crisis, there has been a steady improvement in demand for industrial fuels in the home market but this was offset to some extent by continuing difficulties in the European steel industry, which depressed exports. Apart from the respectable profits rise, the company is taking advantage of the absence of dividend restraint to pay 2p net—an increase of 28p per cent. This boosts the yield to 6.7 per cent while the p/e is 4.2 at 46p, of 7.0 fully taxed—a rating which reflects the uncertainties ahead.

### Alliance Invest. up to £0.72m

TAXABLE revenue of Alliance Investment Company increased from £591,784 to £716,224 in the year to April 30, 1978.

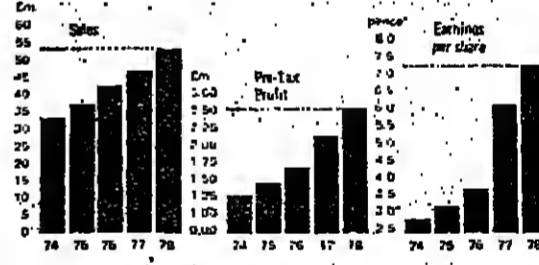
After tax of £267,000 (£222,888), earnings per share are shown to have risen from 3.09p to 3.8p. The net final dividend of 2.7p lifts the total cash management has produced a substantial outflow last time. Throughout the year, there has

## Continued Growth

Chairman Peter Pritchard reports:

- 1978 another successful year
- Sales increased 18% to £53.4m
- Profits before tax 18% higher at £2.6m
- Earnings per share, 21% higher at 74.0p
- Dividend cover 4.4 times

Summary of results



AGM will be held at Winchester House, London Wall, London EC2 on Friday, 29th June 1979 at 12 noon. Copies of the Annual Report may be obtained from The Secretary.



**Pritchard Services Group Ltd.**

Pritchard House, South Hill Avenue, South Harrow, Middlesex HA2 9NS  
Telephone 01-864 4421

Specialists in building cleaning and maintenance, airport and transport cleaning, civil engineering, structural supplies, timber preservation, industrial cleaners, lines and equipment rental, hospital, healthcare and security services.

## Sanderson Kayser

A Sheffield based company manufacturing special steels sold through its own warehouses in the UK and overseas, silver steel, shear blades, machine knives, slitting cutters, saws and gears.

"Bearing in mind the difficult economic conditions prevailing in 1978, both national and world-wide, the results of your company's operations for the year may be regarded as not unsatisfactory."

"Provided we can continue to ensure our share of the home and export markets, our warehouse stocks and continuing plant modernisation policy should help to maintain profitability."

From the circulated statement of Mr. N. Hanlon, Chairman.

RESULTS AT A GLANCE

£'000	1978	1977
Turnover	13,672	13,722
Profit before Tax	888	1,087
Profit after Tax	470	620
Dividend	4.38p	4.38p
Earnings per share	6.79p	8.34p

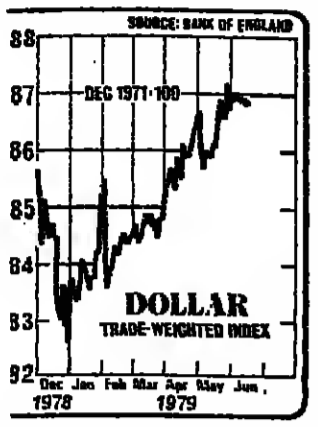
Copies of the Annual Report and Chairman's Statement can be obtained from The Secretary, P.O. Box 6, Newhall Road, Sheffield, S5 2DQ.

ستادامندللصل

CURRENCIES, MONEY and GOLD

Sterling firm

Activity in yesterday's exchange market was on the rise in sterling, lower in the dollar.



Trade weighted index, which sharply to 88.3 from 89.0, rose to 88.3 at noon and in the morning.

against DM 1.9087 and SwFr 1.7300 from SwFr 1.7312 against the Swiss franc. The dollar was also firmer against the yen and finished at ¥220.50 compared with ¥219.75 on Tuesday.

THE POUND SPOT AND FORWARD

Table with columns: Date, Day's spread, Close, One month, Three months, % p.a. Includes data for U.S., Canada, Belgium, Denmark, Ireland, Portugal, Spain, Norway, France, Sweden, Japan, Australia, and Switzerland.

THE DOLLAR SPOT AND FORWARD

Table with columns: Date, Day's spread, Close, One month, Three months, % p.a. Includes data for UK, Ireland, Canada, Denmark, Belgium, Denmark, Portugal, Spain, Norway, France, Sweden, Japan, Austria, and Switzerland.

CURRENCY RATES

Table with columns: Currency, Rate, % change. Includes Sterling, U.S. dollar, Canadian dollar, Australian dollar, Hong Kong dollar, New Zealand dollar, Singapore dollar, and Swiss franc.

CURRENCY MOVEMENTS

Table with columns: Currency, Bank of England, Morgan Guaranty, % change. Includes Sterling, U.S. dollar, Canadian dollar, Australian dollar, Hong Kong dollar, New Zealand dollar, Singapore dollar, and Swiss franc.

OTHER MARKETS

Table with columns: Currency, Rate, % change. Includes Argentina peso, Australia dollar, Brazil cruzeiro, Finland markka, Greek drachma, Hong Kong dollar, Kuwait dinar, Saudi riyal, Singapore dollar, and South African rand.

EMS EUROPEAN CURRENCY UNIT RATES

Table with columns: Currency, ECU amount, % change, % change against ECU, Divergence limit. Includes France, Germany, Italy, Netherlands, Belgium, Luxembourg, and Greece.

CHANGE CROSS RATES

Table with columns: Currency, Pound Sterling, U.S. Dollar, Deutschmark, Japanese Yen, French Franc, Swiss Franc, Dutch Guilder, Italian Lira, Canadian Dollar, Belgian Franc.

10-CURRENCY INTEREST RATES

Table with columns: Term, Sterling, U.S. Dollar, Canadian Dollar, Dutch Guilder, Swiss Franc, West German Mark, French Franc, Italian Lira, Asian \$, Japanese Yen.

INTERNATIONAL MONEY MARKET

Belgian Bank Rate 9%

Belgian National Bank has raised its discount rate and lending rate to 9 per cent from 8 1/2 per cent.

MONEY MARKET

Full credit supply

Bank of England statement on the money market on June 14 (since June 12, 1979) says that credit was in good supply in the London money market.

GOLD

Further fall

Gold continued to lose ground in the London bullion market yesterday, and it closed at \$128.20 an ounce down at \$276.27.

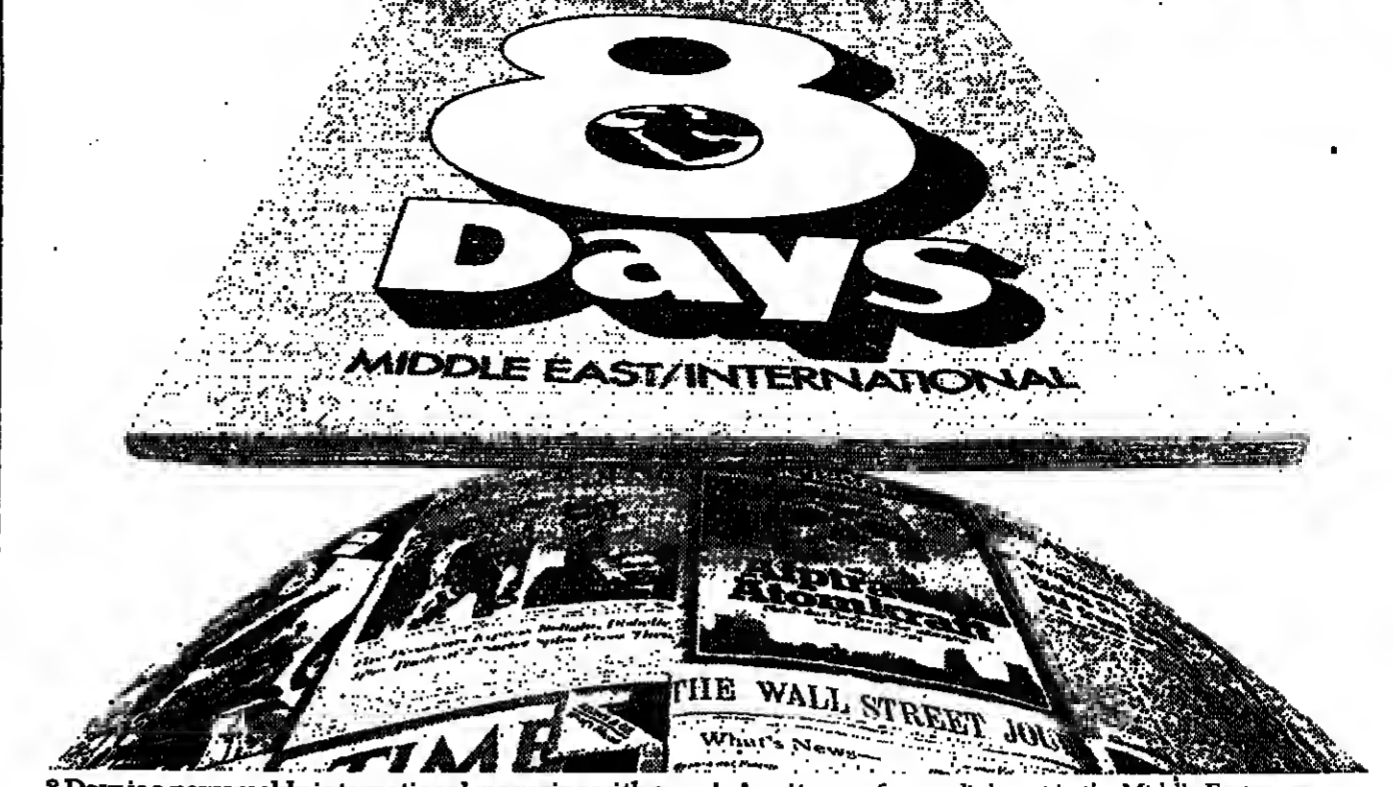
MONEY RATES

Table with columns: Currency, Rate, % change. Includes Goto Bullion, Kruggerand, New Zealand dollar, and Singapore dollar.

INTERNATIONAL MONEY MARKET

Table with columns: Currency, Rate, % change. Includes Sterling, U.S. Dollar, Canadian Dollar, Dutch Guilder, Swiss Franc, West German Mark, French Franc, Italian Lira, Asian \$, Japanese Yen.

Cover the World in



8 Days is a new weekly international magazine with a strong Middle East flavour. It will cover politics, economics and, of course, energy. The first issue is out now.

Subscription rates: (Payable in sterling or dollar equivalent). 104 52 26. Europe £75 £40 £22. Elsewhere £95 £50 £28.

This announcement appears as a matter of record only.

Occidental Finance N.V. Kuwaiti Dinars 7,000,000. 8 1/2 per cent Guaranteed Bonds due 1991. Occidental Petroleum Corporation. Kuwait International Investment Co. s.a.k.

ContiCommodity OFFERS YOU SIX FREE TRIAL ISSUES OF THEIR FORTNIGHTLY OUTLOOK ON LONDON COMMODITIES, FOREIGN EXCHANGE AND GOLD.

Companies and Markets

INTERNATIONAL COMPANIES and FINANCE

NORTH AMERICAN NEWS

Optimism at Consolidated-Bathurst

MONTREAL — Estimates by stock market analysts that Consolidated-Bathurst, the newsprint and paper group, will earn between C\$3.45 and C\$3.75 a share this year...

Ashland Oil buys option for 3m NLT shares

ASHLAND OIL, the highly individualistic independent oil company which recently sold off most of its oil properties, yesterday made a buy which indicates how it plans to use at least part of the proceeds...

CGE repeats sales growth despite overseas setback

COMPAGNIE Generale d'Electricite (CGE) the French electrical group, expects to maintain its level of consolidated earnings this year and to repeat last year's 10 per cent sales growth...

Oslo listing for Volvo shares

VOLVO shares will be traded on the Oslo Stock Exchange from Friday, making Norway the fourth country in which the Swedish car and truck company's shares are quoted...

Dutch insurer to borrow

NATIONALE-NEDERLANDEN dollar loan of \$120m and at the same time issue gulder debt worth Fl 212m.

FT INTERNATIONAL BOND SERVICE

Table listing international bond issues with columns for country, issue name, amount, and price/yield.

Fourth quarter loss for J. Ray McDermott

J. RAY McDERMOTT, the large engineering group which includes Babcock and Wilcox, last night reported a loss for the fourth quarter of \$29.5m against a profit of \$17.1m...

Reliance clears way for Exxon bid

EXXON announced last night that it will go ahead with its \$1.17bn bid for Reliance Electric "as soon as possible."

GRT settles rights dispute with MCA

SUNNYVALE — GRT Corporation said it has signed an agreement which resolves all its disputes with MCA Records, an MCA subsidiary...

INTERNATIONAL CAPITAL MARKETS

Bank chief defends Euromarkets

A FURTHER DEFENCE of the Eurocurrency markets, in the face of the present efforts to apply international controls to the system, was made in London yesterday by Mr. David Rockefeller, chairman of Chase Manhattan Bank...

Dollar bond issue calendar swells

AS THE Eurodollar bond market's strongest rally in several months continued to gain pace yesterday, Unilever NV announced a new \$100m straight-debt issue...

NOTICE OF REDEMPTION To the Holders of Phillips Petroleum International Investment Company 6 1/2% Guaranteed Sinking Fund Debentures Due 1981

NOTICE IS HEREBY GIVEN that, pursuant to the provisions of the Indenture dated as of January 15, 1966 under which the above-described Debentures were issued, Morgan Guaranty Trust Company of New York, as Trustee, has selected for redemption on July 15, 1979, through operation of the Sinking Fund...

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Companies and Markets

INTERNATIONAL COMPANIES and FINANCE

SPANISH MOTOR INDUSTRY

Five years of dynamic expansion ahead

BY ROBERT GRAHAM IN MADRID

SECTOR of the Spanish economy is undergoing such a change and is anticipating such dynamic expansion as the motor industry.

As a result existing production capacity should double and the same time the vestiges of autarkic control will have disappeared.

The change has come about through basic reasons. Firstly, a major American multi-national has decided that an now has sufficient domestic growth potential to enter an important market.

whom it supplies all the technology, and in which it already has a 34 per cent shareholding.

The contracts between this week's two announcements—GM's \$1.6bn investment in Spain and the move by FIAT—is striking.

GM is setting up two greenfield plants, one near Saragossa to make a new small saloon for the European market and another at Cadix to produce components.

GM's investment in Spain and the move by FIAT is striking. GM is setting up two greenfield plants, one near Saragossa to make a new small saloon for the European market and another at Cadix to produce components.

Spanish registrations in the domestic market. Ford has never liked this restriction. For instance last year it could only sell 66,000 "Fiestas" on the local market out of a total production of 370,000. Ford main-

restrictive nature of the legislation meant that manufacturers set up in Spain in order to penetrate the local market. The complexion will change further if Ford does decide—as is now thought likely—to go ahead with

The plans to double Spanish car manufacturing capacity within the next five years reveals contrasting expansion ideologies of such international car makers as Fiat and General Motors.

It means that manufacturers set up in Spain in order to penetrate the local market. The complexion will change further if Ford does decide—as is now thought likely—to go ahead with

from having been the sole car producer in the country. Thus the company felt obliged to offer a comprehensive range of cars. This worked so long as there was no choice for the buyer. But for the past 10 years the increasing choice offered by new manufacturers with limited or single ranges has been keenly felt by Fiat.

Losses at Fiat last year exceeded \$150m and will be the same this year, if not worse. With stocks still above 45,000, Part of Fiat's agreement to assume control of Fiat is acceptance by the latter of a \$770m five-year restructuring programme designed to make it competitive.

The plan envisages \$230m being invested in a new product range—basically the Ritmo and the Cero. A further \$300m will go on new plant to include expansion of facilities at Pamplona and a new spare factory at Barcelona. There is, however, no guarantee that this scheme will work.

depend upon whether Fiat is satisfied over the various conditions it has laid down for its taking control (around 80 per cent) by 1981. Fiat for instance has insisted on the right to switch labour from one plant to another. It would also be surprising if in one form or another labour is not shed. Finally, the plan hinges on the impact of the main new models.

With gradual liberalisation of legislation affecting the auto industry, which began this year, competition will increase. By 1982-83, when Spain is due to join the EEC, all controls will have been removed.

The manufacturers hope the Government will act soon to decontrol prices. Last year, for instance, prices rose 14 per cent against cost increases of 16 per cent. But whereas Fiat needs to raise prices to cover increased overheads, the other multinationals would in some instances cut prices, especially if some fiscal changes were made.

Nevertheless, Spanish industrial overheads in the past two years have risen three times the European average and both Chrysler and Ford now pay their workers more than in the UK.

Two superb executive aircraft for charter, with experienced captain and co-pilot.

Cessna 421 "Golden Eagle" Based at Southampton Airport - or positioned near London if required. Ideal for UK and Europe. Fully airways equipped. Luxurious, fast pressurised 6-seater with bar, lounge service and in-flight meals by arrangement.

CREDITANSTALT-BANKVEREIN U.S. \$80,000,000 Floating Rate Notes 1991

ECONOMICAL EXECUTIVE AIRCRAFT CHARTER Bell Jet Ranger Helicopter

Tokyo Pacific Holdings N.V. U.S. \$64.31 Tokyo Pacific Holdings (Seaboard) N.V. U.S. \$46.86

VONTobel EURObond INDICES table with columns for Price Index, Average Yield, and various bond types.

BEAR STEARNS We are pleased to announce that M. R. Horsburgh has been admitted to membership in the firm as a Limited Partner

Bank boosts stake in Motor-Columbus

SUBSTANTIAL shareholding in the Swiss utility and motor group. Motor-Columbus has changed hands since the acquisition of a contract that the company had to build houses in

Australian aluminium plant sited

AUSTRALIA'S LARGEST integrated aluminium group, Alcoa of Australia, has revealed that its second aluminium smelter will be sited at the Victorian port city of Portland.

Bank Hapoalim makes record rights issue

THE price of the unit will be 1217.50, meaning that the shares will be priced at 123.10 each and the options at par.

Montefibre appeals for fresh capital injection

BOARD of Montefibre, the making synthetic fibres subsidiary of the Montedison group, has appealed for a fresh capital injection of 1,250 million lire to meet the needs of the company's expansion programme.

Delek shows sharp advance

DELEK - Israel's second largest oil marketing company, accounting for 30 per cent of overall sales of all types of petroleum products—raised its net profit by 193 per cent in 1978 to 1217.5m (\$47m).

Crescent Dyes sales rise

CRESCENT DYES and Chemicals—ICI India until its conversion into an Indian joint stock company under the Foreign Exchange Regulation Act—has done well in the first year under its new banner.

Interfood lifts earnings

INTERFOOD, the Swiss group which includes the Sacher and chocolate and confectionery companies, lifted its earnings by 26 per cent last year to SwFr 13.3m.

Billings up at Malaysian advertisers

ADVERTISING in Malaysia has risen by 13 per cent last year compared with 1977, according to The Advertising Age, the journal of the Advertisers' Association.

W ISSUES IN HONG KONG

Leisure group breaks the ice BY ANTHONY ROWLEY IN HONG KONG The Far East Consortium, a quoted property company with investments principally in the Hong Kong New Territories.

Mr. Burnett achieved a 13 per cent increase to 20.7m rings and PTM Thompson, a joint venture between the Pemas Organisation, Tourist Development Corporation, Malaysia Airline System and J. Walter Thompson, recorded the most impressive growth with billings of 14m rings compared with 10m rings in 1977.

ALCOA AUSTRALIA U.S. \$60,000,000 10% Bonds Due 1989 Credit Suisse First Boston Limited

WORLD STOCK MARKETS

Fresh Wall St. rise eroded by mid-session

INVESTMENT DOLLAR PREMIUM... \$2.60 to \$1 - 41%, (501) 1/2... TUESDAY'S GOOD RISE ON Wall Street in response to a Prime Rate reduction was extended at the outset yesterday, but subsequent profit-taking eroded most

and Eastman Kodak 1/2 to \$57. THE AMERICAN SE Market Value Index is still 0.43 higher at 196.47 at 1 p.m. after peaking 196.59, on heavy volume of 3.72m shares (4.24m).

Paris The market moved further ahead with some good gains being recorded, although business was only moderate. The Bourse Industrielle index rose 1.2 more to 50.5.

London and preferred, was particularly active, with the common stock closing DM 2 firmer. Public Authority Bonds were firmer on hold. The Bundesbank sold DM 50m pounds of paper (DM 22.7m). Mark Foreign Loans were steady to firmer.

Closing prices and market reports were not available for this edition. of the stock market's fresh improvement by mid-session, trading remained very active.

The Nikkei-Dow Jones Average regained 23.15 more to 6120.31 and the Tokyo S.E. index was 0.30 firmer at 438.88.

Brokers said the good overnight performance on Wall Street had given a fresh boost to investor sentiment, as well as Prime Minister Raymond Barre's statement on Tuesday afternoon that the French Government will soon announce measures to offset the depressive impact of oil price increases to 1979 and 1980.

Australia With traders taking time to consider the implications of Tuesday's UK Budget, markets failed to form a decided trend yesterday in moderate activity, although Minings showed a slight bias to easier levels in the wake of lower London base metal prices.

Standard Oil of Ohio, however, retreated 2 1/2 to \$54. British Petroleum 1/2 to \$34.4 and active Atlantic Richfield 1/2 to \$83.1.

Canada Stocks remained firm, inclined in another large early business session. The Toronto Composite Index gained 1 1/2 to 1,576.31 at noon, while Oils and Gas 4.1 to 2,754.3 and Banks 0.56 to 296.26.

Germany Bourse prices mainly took their recent rally a stage further in fairly active trading, with the Commerzbank index adding 2.3 at 738.1.

Stocks closed strong in Singapore, with the Straits Times Composite Index rising 1.2 to 1,041.2.

Table with columns: Stock, June 12, June 11, June 10, June 9. Lists various stocks like Abbott Labs, Amgen, etc.

Table with columns: Stock, June 12, June 11, June 10, June 9. Lists various stocks like Alcoa, Aluminum, etc.

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Table with columns: Stock, June 12, June 11, June 10, June 9. Lists various stocks like ABB, Acton, etc.

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Table with columns: Stock, June 12, June 11, June 10, June 9. Lists various stocks like Australia (2), Belgium, Denmark, etc.

Table with columns: Series, Vol., Last, Del., Last, Vol., Last, Stock. Title: EUROPEAN OPTIONS EXCHANGE

Table with columns: Bank, Rate. Title: BASE LENDING RATES

Table with columns: Stock, Price, + or - of Div. Yld. Title: AMSTERDAM

Table with columns: Stock, Price, + or - of Div. Yld. Title: PARIS

TOTAL VOLUME IN CONTRACTS C=Call P=Put

Members of the Accepting Houses Committee

Members of the Accepting Houses Committee

Members of the Accepting Houses Committee

COMMODITIES AND AGRICULTURE

'Famine' warning in Zambia

USAKA — Zambia's maize crops are down to 14 weeks supply, Mr. Daniel Luzanga, general manager of the National Agricultural Marketing Board, said yesterday.

Fresh upsurge in coffee

COFFEE FUTURES prices rose sharply on the London and New York markets yesterday as dealers awaited the first official estimate of the damage done to the Brazilian crop by last month's frost.

New fall in hides prices

HIDES PRICES fell again on the Leeds market yesterday as demand continued to weaken.

'Green £' change in the wind

MR. PETER WALKER, Minister of Agriculture, is hoping to ask for a devaluation of the "Green pound" at his first full meeting with his European Community counterparts in Luxembourg next Monday and Tuesday.



Mr. Peter Walker

For tax reliefs and other incentives, glumly announced that the Chancellor's plans would add a further £30m a year to agriculture's costs, making devaluation "imperative".

Strong rally in lead and copper markets

LEAD AND COPPER prices rallied strongly yesterday defying the upward trend in the value of sterling, which would normally have been a depressing influence.

Drought hits Indian tea production

NORTH INDIAN tea output is currently running at least 25m kilos behind the previous year's figure at this time according to industry sources here.

Australian wool stockpile falls

THE AUSTRALIAN wool stockpile fell at end-May to the lowest level since after the "floor" support price scheme was introduced in September 1974, according to the Australian Wool Corporation, reports Reuters.

BRITISH COMMODITY MARKETS

Table with columns for various commodities like Tin, Lead, Zinc, Copper, and their prices in London and New York.

PRICE CHANGES

Table showing price changes for various commodities such as Metals, Rubber, Soybean Meal, and Sugar.

AMERICAN MARKETS

Table showing American market prices for commodities like Wheat, Corn, Soybeans, and other agricultural products.

Insurance Base Rates

Table listing insurance base rates for different categories like Property Growth and Vanburgh Guaranteed.

Forex Dealer/Metals Trader

Merrill Lynch needs you in Australia. As a result of the rapid growth of local futures markets in Australia, Merrill Lynch soon will expand the Commodity Futures Department of its Sydney office and currently has openings there for two seasoned foreign exchange or metals traders.

Wheat

Table showing wheat prices for various grades and origins.

Silver

Table showing silver prices in London and New York.

Wool Futures

Table showing wool futures prices for various grades and origins.

Indices

Table showing various financial indices like Dow Jones, Financial Times, and Mooty's.

European Markets

Table showing European market prices for commodities like Wheat, Corn, and other agricultural products.

Reuters

Table showing Reuters market prices for various commodities.

LONDON STOCK EXCHANGE

Companies and Markets

Fears about inflation and political conflict after Budget takes 12.5 off equity index at 488.9—Gilt falls to £3 5/8

Account Dealing Dates
First Declared Last Account Dealings
June 4 June 14 June 15 June 26 June 18 June 28 June 29 July 10 July 3 July 12 July 13 July 24

doubt that some small public investors were nervous about the economic and political situation. Measuring the day's trend, the FT 30-share index began 3.5 off and by 2 pm was registering a fall of 14.1 before a close of 12.5 down on balance at 488.9, the first time it has been below 500 since March 7.

217p on fears about its overseas earnings and the increase in interest rates. Building issues encountered persistent selling on fears of increased mortgages and the Chancellor's proposal to cut the support grant to local authorities.

FINANCIAL TIMES STOCK INDICES
Table with columns for various indices: Government Secs, Fixed Interest, Industrial, Gold Mines, etc. and rows for dates from June 13 to June 14.

HIGHS AND LOWS S.E. ACTIVITY
Table showing high and low prices for various stocks and activity in the South East.

LONDON TRADED OPTIONS
Table listing various options (BP, GEC, etc.) with columns for price, closing offer, and volume.

Stores fall further
Stores remained depressed by the steeper-than-expected increase in VAT. Fears as to the effect on sales prompted early selling, some of which was institutional.

Consideration of dearer money following the proposed 2 per cent rise in Minimum Lending Rate prompted widespread selling of property issues. Falls of 8 were marked against Land Securities, 284p, and Haslemere, 512p.

up 50 to 390p and Gold Field Properties dropped 12 to 65p. Heavy losses in Golds
South African mining issues sustained one of their biggest ever one-day falls following the slump in the investment currency.

From The Banker Research Unit—
Four Completely Revised Titles for 1979
Who Owns What in World Banking — 8th Edition
Who is Where in World Banking — 8th Edition

OPTIONS
Table listing various options (BP, GEC, etc.) with columns for price, closing offer, and volume.

FT-ACTUARIES SHARE INDICES
Table listing various equity groups and sub-sections with columns for index number, day's change, and other metrics.

LEADERS AND LAGGARDS
Table showing the percentage change in various sectors like Gold Mines, Food, etc.

ACTIVE STOCKS
Table listing various active stocks (BP, GEC, etc.) with columns for price, closing offer, and volume.

FIXED INTEREST STOCKS
Table listing various fixed interest stocks (Banks, Insurance, etc.) with columns for price, closing offer, and volume.



AUTHORIZED UNIT TRUSTS

Table listing various authorized unit trusts with columns for name, manager, and performance metrics.

Table listing various insurance and property bonds with columns for company name, policy type, and terms.

Table listing various insurance and property bonds with columns for company name, policy type, and terms.

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OFFSHORE AND OVERSEAS FUNDS

Table listing various offshore and overseas funds with columns for name, manager, and performance metrics.

NOTES: Additional information and disclaimers regarding the fund data.

Factories, Warehouses, Offices, Sites... now in Telford 0952 613131

FT SHARE INFORMATION SERVICE

FOOD, GROCERIES - Cont.

BRITISH FUNDS

Table of British Funds with columns for Name, Price, and Yield.

Shorts (Lives up to Five Years)

Table of Short-term investments with columns for Name, Price, and Yield.

Five to Fifteen Years

Table of Medium-term investments with columns for Name, Price, and Yield.

Over Fifteen Years

Table of Long-term investments with columns for Name, Price, and Yield.

Updated

Table of updated investment data with columns for Name, Price, and Yield.

INTERNATIONAL BANK

Table of International Bank services with columns for Name, Price, and Yield.

CORPORATION LOANS

Table of Corporation Loans with columns for Name, Price, and Yield.

LOANS

Table of Loans with columns for Name, Price, and Yield.

COMMONWEALTH & AFRICAN LOANS

Table of Commonwealth & African Loans with columns for Name, Price, and Yield.

Public Board and Ind.

Table of Public Board and Industrial investments with columns for Name, Price, and Yield.

FINANCIAL TIMES

Head Office: The Financial Times Limited, Bracken House, 10, Cannon Street, London EC4P 4BY

FOREIGN BONDS & RAILS

Table of Foreign Bonds & Rails with columns for Name, Price, and Yield.

AMERICANS

Table of American stocks with columns for Name, Price, and Yield.

CANADIANS

Table of Canadian stocks with columns for Name, Price, and Yield.

BANKS AND HIRE PURCHASE

Table of Banks and Hire Purchase with columns for Name, Price, and Yield.

BANKS & HP - Continued

Table of Banks & Hire Purchase (Continued) with columns for Name, Price, and Yield.

BEERS, WINES AND SPIRITS

Table of Beers, Wines and Spirits with columns for Name, Price, and Yield.

BUILDING INDUSTRY, TIMBER AND ROADS

Table of Building Industry, Timber and Roads with columns for Name, Price, and Yield.

CHEMICALS, PLASTICS - Cont.

Table of Chemicals, Plastics (Continued) with columns for Name, Price, and Yield.

DRAPERY AND STORES

Table of Drapery and Stores with columns for Name, Price, and Yield.

ELECTRICAL AND RADIO

Table of Electrical and Radio with columns for Name, Price, and Yield.

CHEMICALS, PLASTICS

Table of Chemicals, Plastics with columns for Name, Price, and Yield.

ENGINEERING MACHINE TOOLS

Table of Engineering Machine Tools with columns for Name, Price, and Yield.

ENGINEERING - Continued

Table of Engineering (Continued) with columns for Name, Price, and Yield.

FOOD, GROCERIES

Table of Food, Groceries with columns for Name, Price, and Yield.

HOTELS AND CATERERS

Table of Hotels and Caterers with columns for Name, Price, and Yield.

INDUSTRIALS (Miscel.)

Table of Industrial (Miscellaneous) with columns for Name, Price, and Yield.

FOOD, GROCERIES, ETC.

Table of Food, Groceries, Etc. with columns for Name, Price, and Yield.

Table of Food, Groceries (Continued) with columns for Name, Price, and Yield.

Table of Hotels and Caterers (Continued) with columns for Name, Price, and Yield.

Table of Industrials (Miscellaneous) (Continued) with columns for Name, Price, and Yield.

Table of Industrials (Miscellaneous) (Continued) with columns for Name, Price, and Yield.

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Table of Industrials (Miscellaneous) (Continued) with columns for Name, Price, and Yield.

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INDUSTRIALS—Continued

Table of industrial stocks including companies like British Petroleum, Shell, and ICI, with columns for stock name, price, and other financial metrics.

INSURANCE—Continued

Table of insurance companies such as Lloyds, Norwich Union, and Prudential, listing their stock prices and performance.

PROPERTY—Continued

Table of property-related stocks and companies, including various real estate and construction firms.

INVESTMENT TRUSTS—Cont.

Table of investment trusts, detailing their assets, liabilities, and stock prices.

FINANCE, LAND—Continued

Table of financial and land-related stocks, including banks, insurance, and land development companies.

OKASAN SECURITIES CO. LTD. advertisement with contact information for London and New York offices.

MINES—Continued

Table of mining stocks, including various metal and coal mining companies.

AUSTRALIAN

Table of Australian stocks, listing companies and their market prices.

TINS

Table of tin-related stocks and commodities.

COPPER

Table of copper-related stocks and commodities.

MISCELLANEOUS

Table of miscellaneous stocks and commodities.

NOTES

Notes section containing various financial notices, company announcements, and market updates.

REGIONAL MARKETS

Table of regional market data, including stock prices from different geographical areas.

OPTIONS

Table of options market data, listing call and put options for various stocks.

MOTORS, AIRCRAFT TRADES

Table of motor and aircraft trade stocks, including manufacturers and dealers.

Commercial Vehicles

Table of commercial vehicle stocks.

Components

Table of component stocks.

Garages and Distributors

Table of garage and distributor stocks.

NEWSPAPERS, PUBLISHERS

Table of newspaper and publisher stocks.

PAPER, PRINTING

Table of paper and printing stocks.

ADVERTISING

Table of advertising stocks.

SHIPPING

Table of shipping stocks.

SHOES AND LEATHER

Table of shoe and leather stocks.

SOUTH AFRICANS

Table of South African stocks.

TEXTILES

Table of textile stocks.

TOBACCO

Table of tobacco stocks.

TRUSTS, FINANCE, LAND

Table of trusts, finance, and land stocks.

PROPERTY

Table of property stocks.

FINANCE, LAND, etc.

Table of finance, land, and other stocks.

FINANCE

Table of finance stocks.

DIAMOND AND PLATINUM

Table of diamond and platinum stocks.

CENTRAL AFRICAN

Table of Central African stocks.

INSURANCE

Table of insurance stocks.

BANK LEUMI (U.K.) LTD. Yours ... for all business with ISRAEL

FINANCIAL TIMES

Thursday June 14 1979

LEASING CARS MEANS AVIS

Government shelves union forum plan

BY CHRISTIAN TYLER, LABOUR EDITOR

THE GOVERNMENT has shelved plans for an economic forum to "educate" trade unions in what the country can afford to pay in wages.

Although no final decision has been taken on the forum plan, which was prominent in Conservative and Confederation of British Industry policy papers but watered down in the manifesto, appears to have succumbed to objections that it would look inconsistent with the Government's free market and free collective bargaining philosophy.

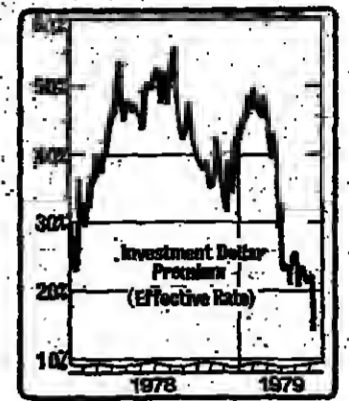
Ministers are likely instead to start a campaign of speeches, echoing the Chancellor's Budget-day warning that workers' attempts to retrieve wages in the full increase in prices would be "self-defeating".

At its first meeting after the election, the Chancellor reaffirmed the Government's commitment to the Council's role, and Mr. Murray emphasised yesterday the TUC's continuing commitment to it.

THE LEX COLUMN

Scramble for the cut-price tap

Index fell 12.5 to 488.9



The Bank of England has not learnt very much from the Battle of Wadding Street after all. It is true that when 2800m of Treasury 1 1/2 per cent 2001-04 was issued on May 23, the lifts of the Bank were working smoothly and the new issue counter was efficiently manned.

Falling U.S. interest rates, a strong U.S. dollar and the growing conviction that the U.S. economy is slowing down have all combined to produce the second boom in Eurodollar bond issues this year.

One of the key advantages of the Eurodollar bond market over its New York counterpart is the speed with which issues can be arranged when free from the registration requirements of the SEC.

The last time MLR was hoisted to 14 per cent in February, it fell back in three weeks. Is the same going to happen this time?

The initial reaction of short-dated gilts was typical of the financial market's uncertainty. Yields rose by less than 1 per cent yesterday and are still roughly 1 1/2 per cent below the levels that could be obtained.

No one seems sure whether the rise in MLR is a symbolic gesture which will soon disappear or whether it is really meant to curb bank borrowing.

At the same time long term borrowing costs for dollars are new, back to well below the 10 per cent yield which remains the psychological upper limit for corporate treasurers.

Westland has never published interim profits before, and it warns that there is no "normal" pattern for its results between one half-year and the next.

After the shock rise in Minimum Lending Rate everyone in the City yesterday was wondering just how long the rate would stay at 14 per cent.

BL warns on jobs cuts

BY ARTHUR SMITH, MIDLANDS CORRESPONDENT

BL CARS has warned senior shop stewards that the Triumph workforce at Canley, Coventry, will have to be cut by nearly 3,000 within three years.

Without the Honda, Canley would be left with only TR7 assembly and production of engines for the Rover 2300 and 2600.

In the proposed deal with Honda, the new car would be produced both in the UK and Japan. BL would supply Common Market countries.

Move to cut cost of EEC air travel

BY GUY DE JONQUIERE, COMMON MARKET CORRESPONDENT, IN BRUSSELS

FAR-REACHING changes in the operations and fare structures of European airlines, aimed at reducing substantially the cost of air travel in the EEC and improving levels of efficiency in the industry, were recommended yesterday by the EEC Commission.

In a memorandum the Commission calls on EEC Governments to ask airlines for new arrangements bringing down tariffs on major routes and offering passengers a wider choice of services.

It says that the Commission intends to publish, probably before the end of July, formal proposals for EEC legislation strengthening its authority to subject airlines to EEC competition rules. It calls for cuts in airlines' operating costs by simplifying procedures, notably for airfreight transport.

The paper is likely to provoke controversy among member Governments, particularly those with long national flag carriers.

Introduction of a third-class fare. Special fares for a limited number of seats if payment is made in advance and not reimbursed in full if a passenger changes his plans.

A basic "no-frills" ticket, with extra charges for reservations and ticket exchange.

General implementation of standby tariffs.

The Commission suggests that if airlines refuse to make these changes voluntarily the Governments responsible permit other operators to compete on major routes on a limited basis.

One potential obstacle to this proposal is that airlines might argue that they fixed their tariff levels in negotiation with Governments, which bore legal responsibility.

'U.S. recession not inevitable'

BY NICHOLAS COLCHESTER

A LOWER rate of growth imposed upon the industrialised world requires a change in the fundamental approach to economic management, Mr. Michael Blumenthal, U.S. Treasury Secretary, said in London yesterday.

Mr. Blumenthal spoiled out the American economy's two main problems—the rising cost of energy and lagging productivity and investment.

Our capital base has aged, and the oil crisis has radically altered its efficiency. Conservation of energy was vital in the short run, Mr. Blumenthal insisted.

The choice is between growth with conservation and no growth with high inflation.

Turning to the U.S. economy's broader malaise, he reviewed the U.S. Administration's measures to cure it by insisting that the Federal budget be moved towards balance, by moving to deregulate more of U.S. industry than any other administration, and to provide new tax incentives for capital formation.

BP subsidiary hit by new tax on Alaskan oil

BY DAVID LASCELLES IN NEW YORK

A CONGRESSIONAL committee's surprise vote to slap a new tax on revenues from Alaskan oil gave a sharp knock to the shares of oil companies active on the North Slope yesterday.

Worst hit was Standard Oil of Ohio, British Petroleum's 53 per cent subsidiary, whose shares fell to open on time on Wall Street because of an order imbalance, and later lost \$2 1/2 to trade at \$54.50.

The flurry started when the House Ways and Means Committee, which is debating President Jimmy Carter's oil decontrol programme, voted yesterday to tax-exempt status which Alaskan oil has enjoyed since production started two years ago.

The tax would be levied on revenues over and above an established base price of \$7.50 a barrel, minus transportation costs.

This base price was described by committee staff as generous, though the tax itself is expected to raise \$1.2bn in 1980-84.

The new tax came as an amendment to a House Bill responding to Mr. Carter's request for a tax on windfall profits oil companies make from oil price controls over the next 28 months.

Nigg platform men face redundancy

BY KEVIN DONE, ENERGY CORRESPONDENT

NEARLY three-quarters of the 1,600 workers at Highland Fabricators' platform construction yard at Nigg Bay on Cromarty Firth have been threatened with redundancy by early September.

The shop stewards have formed an action committee to seek help from Mr. Hamish Gray, Minister of State for Energy and the local MP, and from the Scottish TUC.

Supplies industry. The level of work from the North Sea appears inadequate to support employment at all the Scottish yards.

Reaction to Budget

Continued from Page 1

day's high of \$2.1145. The overnight New York close was \$2.10 and the Tuesday level in London \$2.0915.

In contrast, equity prices dropped sharply. The FT 100 share Industrial Ordinary Index closed 12.5 lower at 488.9 after a decline of 14.1 just after lunch.

Equities were unsettled by the inflation outlook and by the prospect of a tight squeeze on company profits and liquidity.

Andrew Taylor writes: Building society chiefs ruled out the possibility of an immediate rise in mortgage interest rates.

Mr. Leonard Williams, newly appointed chairman of the Building Societies Association, said the societies would wait to see how the banks, local authorities and other lending institutions reacted to the 2 per cent rise in MLR.

A decision on future interest rates can be expected at the association meeting on July 12.

Continued from Page 1

Oil exporters press for rise

Further confusion has been added to OPEC's already chaotic pricing system by Iraq's decision to seek "its favoured seller" status for all its crude sales.

The increases could be much larger if it tries to follow the price levels set by the African producers, Libya, Algeria and Nigeria.

Talks began in London yesterday on the formal ending of the remaining contractual links between the National Iranian Oil Company and the consortium of Western companies which, before the revolution, was responsible for producing most of Iran's crude oil.

But there are still many matters to settle between the two sides including stock levels at the time of the revolution, interest due on investments made by both the consortium and NIOC, expatriate personnel, the take-over of the consortium's service company and Abadan refinery stocks.

It is understood that NIOC is still hoping to recruit directly some foreign technicians from consortium companies to work in the Iranian oil fields, but few of the old workforce appear willing to return.

Weather

UK TODAY SOME RAIN, bright intervals. Thunder in parts of Scotland and N. Ireland.

London, S.E., E. Anglia Some rain at first, becoming brighter. Rain later. Max. 18C (64F).

Rest of England, Channel Is., Wales, Isle of Man, E. and S.W. Scotland Rain followed by bright intervals and showers, some heavy with thunder. Max. 17C (62F).

Rest of Scotland, N. Ireland Sunny intervals and showers, some heavy with thunder. Max. 13C (55F).

Orkney, Shetland Rain followed by bright intervals and showers, some heavy with thunder. Max. 8C (46F).

Outlook: Showers or longer outbreaks of rain in most parts, but some sunny intervals. Cool.

Table with columns for city, day, and temperature. Includes cities like Algiers, Athens, London, Moscow, etc.

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